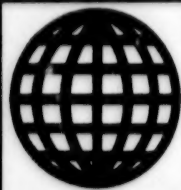


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**COALITION GOVERNMENT OF
DEMOCRATIC KAMPUCHEA**

Khmer Rouge Deputy Division Commander Killed

*BK1812011589 Bangkok BANGKOK POST in English
18 Dec 89 p 3*

[Text] Aranyaprathet—Two Khmer Rouge guerrillas, one of them a deputy division commander, were killed yesterday when a truck in which they were travelling ran over landmines in Cambodia.

Khmer Rouge 320th Division commander Mit Nikon said the incident took place at about 2 a.m. when a truck delivering ammunition and other supplies hit two anti-tank mines about seven kilometres from the Thai border opposite Ban Khao Din in Khlong Hat subdistrict.

Killed were deputy commander of the 320th Division, Mit Chon, and a medic, Mit Leun.

Mit Nikon said the Khmer Rouge was preparing to counter a large-scale operation by Phnom Penh troops as reinforcements had been despatched to Sisophon, about 40 kilometres east of Khlong Hat sub-district.

Cooperative Agreement With Australia in Energy, Mineral Resources

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[Editorial Report] The 23 November Jakarta SUARA KARYA in Indonesian reported on page 3 that Indonesia and Australia have reached a cooperative agreement to exchange information on mining and energy technology. Australia has agreed to assist Indonesia with marketing its coal, while Indonesia, noted for producing the world's cleanest coal, can assist Australia in clean coal processing techniques. According to Suyitno Patmosukismo, an official of the Ministry of Mining and Energy, Indonesia's biggest problem is transporting coal from the mining area, which is outside Java, to areas of consumption, primarily in Java.

Kalimantan Projected As Nation's Largest Coal Producer

90OG0094A Jakarta BISNIS INDONESIA in Indonesian 19 Nov 89 p 4

[Text] Samarinda (ANTARA)—East Kalimantan's mining region has prospects for becoming the largest coal producer in Indonesia and in fact may take over the status held by African countries and Australia.

This situation is reflected in the growing volumes of coal produced in East Kalimantan, surging from 500,000 tons last year to more than 2 million tons this year. At the same time, foreign exchange revenues have soared to almost four times last year's figure of more than \$9 million.

Reasons for this production include improvements in mining equipment and better coal transportation. The climate of the international market has also had a part in encouraging producers to mine coal at "full speed."

Minister of Mining and Energy Ginanjar Kartasasmita and East Kalimantan Governor M. Ardans toured mines this week. They reported that the mining situation in East Kalimantan is gratifying.

Coal mining companies in East Kalimantan are racing each other as long-term contracts pile up from buyers like Japan, Korea, Taiwan, and even Vietnam.

Expanded Area

The recent improvement in prices for exported coal has encouraged producers to expand the areas they are mining. In fact, complaints have recently been voiced over the inadequacy of transportation facilities for the volume of coal being produced. In the past there was no obstacle to the transportation of coal throughout the length of the Mahakam River.

Neither Batubara Tunito Harum nor Multi Harapan Utama, two of the companies holding mining rights all along the Mahakam River, have been able to find a solution for the problem caused by the growing volumes

of coal that must be transported to oceangoing ships compelled to anchor beyond the mouth of the river.

The complaints of five coal companies in the interior areas along the Mahakam River include the shallowness of the river, which cannot accommodate coal ships with their wide drafts of more than 13 meters. They also complain that barges have difficulty in getting by the Mahakam bridge, although it has a span of 150 meters between pillars.

Forest Stripped

Flying by helicopter over mining areas in East Kalimantan one can see that almost all holders of mining rights use the opencut mining system.

At the mining center of Kaltim Prima Coal (KPC) at Semenanjung Pantai, Sangata Subdistrict, about 300 kilometers north of Samarinda, one can see from a distance the contrast between primary forests and the mining area, where the surface of the land has been stripped and the earth excavated to a depth of 6 meters.

According to a company source, this area is only a small part of its authorized 600,000 hectares.

KPC spokesman Huzainsyah Akma said that the company, which is a joint venture between Indonesia and Australia, is still in the initial exploitation phase and is producing less than 500,000 tons per year. When normal production is reached in 1991, however, output will exceed more than 1 million tons annually.

This company is the largest mining rights holder in East Kalimantan, which is to be the main coal exporting area of Indonesia. The company's mining system does not differ much from that of other coal companies along the Mahakam, whose areas also lie within primary forests.

In the Tunito Harum area, for example, efforts to strip the surface of the land are almost the same as in the KPC area, where no restoration of the local environment can be seen, despite the existence of such a stipulation in the mining rights agreements.

Relatively far from settlements, this area has coal reserves of at least 38.9 million tons, for which about 124,000 hectares of land are to be stripped.

Duration of Operations

According to President-Director Kiki Barki, his company's coal mining operations will last at least 30 years at an estimated production of 1 to 2 million tons per year.

As a result of the opencut mining system used in the region, one can see several deep pits that have been left by the exploitation operations of the company's 119 pieces of heavy equipment, which constantly scrape away the surface of the ground to the limits of coal deposits.

Of the six mining rights holders in production, Multi Harapan Utama has entered the production phase relatively recently. Sixty percent of the company is owned by private Indonesian businessmen and the rest by New Hope Indonesian, Ltd., of Australia.

With a concession of almost 190,000 hectares, the company initially has stripped 2,000 hectares of land in the Busang mining area. Although not all the stripping has been total, the company has its own methods for finding coal.

Anwari, its general manager, said the company is not as profitable as others, for it has not always found coal of uniformly prime quality.

Although coal deposits in the area are found in strata, 57 tons of economic reserves have been identified in 12 pits.

Almost all the companies report their economic reserves to the minister of mining and energy, but they have presented no concepts for restoring environmental conditions in the mined areas.

"This is a challenge, and we will work as hard as we can to supervise efforts to restore the environment," Governor Ardans declared.

Government Receives Loans for Building Merchant Ships

90OG0094B Jakarta *MERDEKA* in Indonesian
24 Nov 89 p 9

[Text] Jakarta, Thursday [23 November], *MERDEKA*—The government has obtained loans for the domestic construction of 24 merchant ships to fulfill ship demand, which will reach 61 vessels in 1991 in addition to 5 other ships to be completed in 1990, Minister of Communications Azwar Anas told a working conference of the INSA (Indonesian National Shipowners Association) in Jakarta on Thursday.

The minister of communications said that President Suharto recently approved the foreign purchase of merchant ships of 5,000 deadweight tons and that these purchases will not hinder the development of domestic shipyards.

Previous presidential instructions limited foreign ships that could be purchased and brought to Indonesia by a national shipping company to 10,000 deadweight tons and 10 years of age.

Supervised

After explaining to the INSA conference that the cabotage principle (the protection of national merchant shipping) is still in effect, the minister of communications asked INSA members and regional offices of the Department of Communications to report any operation of foreign ships not represented by national shipping companies.

"Such operation is clearly prohibited. Indonesian offices of foreign ship owners are not permitted to conduct the same kinds of businesses as those operated by national shipping companies. The offices of foreign shipping companies must appoint national companies as agents," he added.

Conditions for the chartering of a foreign ship by a national shipping company must be stipulated clearly. These conditions must include the length of the charter and must prohibit a foreign tramp ship from moving around freely in Indonesian waters.

The minister said the government will not make any changes in the maritime policy spelled out in PP [Presidential Regulation] 17/1985. Earlier in his remarks, he had described the success of the 21 November Package, under which the nonoil share of national revenues has reached more than 50 percent. Before the provision of facilities for the nonoil sector, oil income made up 80 percent of national revenues.

"The expansion of nonoil revenues has been supported by facilities provided in the 21 November Package, a fact now acknowledged by other ministers," he said.

Official Scores Support for Resistance, Economic 'Exploitation'

*BK1912024789 Bangkok BANGKOK POST in English
19 Dec 89 p 3*

[Excerpt] A senior Laotian official has accused Thailand of being insincere and of continuing to take advantage of Laos.

"The three million tons of bombs dropped by the United States into Laos during the Indochinese War are not as bad as the bitterness inflicted on the Laotian people by Thailand," said Houmphang Lattavong, director of the Vientiane-based Comité D'Etat Des Sciences Sociales at a seminar yesterday on Thai-Lao Cooperation, held by the Institute of Asian Studies at Chulalongkorn University.

The claims were disputed by Thai delegates.

Speaking in Lao, Houmphang said although Laos always regards Thailand as its elder brother "it is very difficult for the younger brother to forget all the offences that the elder brother had done to the younger brother."

He cited, for instance, the announcement by the Thai Government two years ago to help Laos develop its country.

So far, there has been nothing from the government side, except for some private investors who went to Laos with promises of investment which were never fulfilled, said Houmphang.

He charged that most investors from Thailand only want to exploit Laos' unexploited resources.

He also recalled Thailand's previous involvement in the conflict in Laos by "sending mercenaries into Laos to kill Laotians."

Although Vientiane had always realised the exploitative attitude of the Thai side, Laos, disadvantaged as a land-locked country, still had to rely on Thailand.

With more than 50 million people and with a stronger economy, Thailand should follow the footsteps of the Soviet Union and Bulgaria in providing economic aid for Laos without strings attached, he said.

Houmphang also accused the Thai Government of pursuing a policy to undermine the security of Laos. He cited the presence of Laotian resistance forces on Thai soil and intrusion into Vietnam via Laos of Vietnamese resistance forces in 1987.

While attacking Thailand, Houmphang profusely praised Hanoi for its sincerity and the assistance extended to Laos.

Thai delegates attending the seminar, however, countered that Thailand has no policy of supporting Laotian rebels or of undermining Lao security as charged by Houmphang.

They said Thailand has to provide sanctuary to Laotian refugees on humanitarian grounds. They also asked Vientiane to take back all the refugees so that Thailand could not be accused of supporting the rebels.

Thai delegates said Thailand would not issue a visa to rebel leader, General Vang Pao, to travel through Thailand to Laos to lead any rebellion against Vientiane. [passage omitted]

**Razaleigh Terms Mahathir-Tunku Unity Talks
'Fruitless'**

90OG0093A Kuala Lumpur WATAN in Malay
16 Nov 89 p 1

[Text] Pendang—Spirit of '46 President Tengku Razaleigh Hamzah feels that the recent meeting in Kuala Lumpur between Prime Minister Datuk Sri Dr Mahathir Mohamad and Tunku Abdul Rahman was "fruitless."

He called the meeting an ordinary discussion because the prime minister repeatedly refused to talk about "serious matters involving Malay unity."

Tengku Razaleigh said this recently at a public rally at Kampung Paya Kelubi.

He said the prime minister talked about Malay unity for only 8 minutes during the half-hour meeting.

"During the rest of the time the prime minister asked about the Tunku's personal affairs and his experience in getting medical care abroad," he said.

He said the meeting was not successful in producing a "formula for uniting Malays."

As senior advisor to the Spirit of '46, Tunku Abdul Rahman presented several proposals for restoring Malay unity, he said.

"The prime minister apparently did not approve of the proposals," he said.

Also present at the public rally were PAS Vice President Dr Daeng Sanusi Daeng Mariok, HAMIM [Muslim Front of Malaysia] President Datuk Haji Sudin Wahab, and BERJASA [Malaysian Islamic Council Front] Youth President Drs Abd. Jalil Ahmad.

Tengku Razaleigh, who was authorized by Tunku to announce the results of the meeting, said the prime minister "tried to avoid discussing restoration of the original UMNO [United Malays National Organization]."

"The prime minister also rejected proposals by Tunku that UMNO be dissolved and that all Malays join Angkatan for the sake of Malay unity," he said.

He said Tunku will continue to have talks with the prime minister from time to time for the purpose of uniting Malays.

He stated that Tunku's meeting with the prime minister was at his own initiative and not as a representative of the Spirit of '46.

Paper Reports Spirit of '46 Leadership Crisis

90OG0092A Kuala Lumpur WATAN in Malay
6 Nov 89 p 18

[Text] Kuala Terengganu—The Spirit of '46 in the state will be hit by a leadership crisis if Tengku Razaleigh Hamzah does not intervene in a serious way.

As a result of developments in the party before and after the formation of division committees, two groups have tried to seize power at the division level.

In the current political squabbles within the Spirit of '46, the only exceptions are the Kemaman and Dungun divisions.

The reason for this is that the leaders of those two divisions were not very close to Tengku Razaleigh Hamzah before the formation of the Spirit of '46 in this state.

The leaders of the Besut, Setiu, Kuala Nerus, Kuala Terengganu, Hulu Terengganu, and Marang divisions, who had close ties with Tengku Razaleigh Hamzah, were referred to as an "advance team."

They are trying to keep one of their number from winning the top party post at the state level, however, and thus from continuing in a close relationship with Tengku Razaleigh Hamzah.

WATAN was told that the leaders involved in the power struggle in Terengganu are Haji Ibrahim Azmi Hassan and Datuk Haji Abdul Manan Osman.

Datuk Haji Zakaria Abdul Rahman, Datuk Haji Engku Mokhsin Abdul Kadir, and Datuk Haji Abdullah Jusoh are not interested in party leadership.

Before the recent national conference of the Spirit of '46, a group from the state party tried to block the election of Datuk Haji Abdul Manan Osman as party vice president.

The group championed Haji Ibrahim Azmi Hassan in its campaign.

A struggle also took place in the race for the national presidency of Spirit of '46 Youth.

The Besut, Kuala Nerus, and Setiu divisions nominated Haji Ibrahim Ali, while Kuala Terengganu, Hulu Terengganu, and Marang nominated Haji Fahmi Ibrahim.

As for the two divisions referred to as exceptions, Dungun nominated Datuk Zainal Abidin Zin, whereas Kemaman did not nominate anyone.

A commentator on local political developments called the race a test of the influence of Haji Ibrahim Azmi Hassan and Datuk Manan.

Besut and Setiu are said to support Haji Ibrahim Azmi Hassan as the future state leader, whereas Marang, Hulu Terengganu, and Kuala Terengganu side with Datuk Manan.

The Spirit of '46 in Marang is not participating with the others because of the influence of Haji Tengku Zahid Musa, former political secretary to the Terengganu chief minister, who is not much interested in either leader.

Spirit of '46 supporters in Terengganu have told Tengku Razaleigh Hamzah that he needs to deliberate carefully before appointing a person to lead the Spirit of '46 liaison committee in the state.

They recommend that the job be given to Tengku Sri Paduka Raja, younger brother of the current Sultan of Terengganu.

Tengku Sri Paduka Raja is said to be highly respected by some people in the state.

Air Defense Radar Purchase Agreement

90OG0092C Kuala Lumpur *BERITA HARIAN* in Malay 15 Nov 89 p 1

[Text] Subang, Tuesday [14 November]—Malaysia has signed an agreement with Britain for the purchase of an air defense radar system as part of an arms package worth 4.3 billion ringgit, Armed Forces Commander General Tan Sri Mohamed Hashim Ali said today.

He said that the purchase agreement was signed here last month and that the radar will be delivered in 2 years.

Gen Tan Sri Mohamed Hashim declined to give details of the radar and its cost but said it is more advanced than the existing system.

He revealed this to reporters after making a 3-hour visit to the Air Force Materiel Center (MATRA II) at the Subang TUDM [Royal Malaysian Air Force] Base.

In London last September, Malaysia and Britain signed a memorandum of understanding on possible Malaysian purchases of military equipment, including jet fighters, guided missiles, and communications equipment.

It is believed that the radar purchase agreement was signed prior to the Commonwealth Heads of Government Meeting (CHOGM), held in Kuala Lumpur from 18 to 24 October.

Minister of Defense Tengku Ahmad Rithauddeen was quoted in September as saying that at least one agreement would be signed before the meeting.

Gen Tan Sri Mohamed Hashim also said a central logistics system for the three member services of the Armed Forces will be implemented by 1991.

Government Bans Log Exports

90OG0092D Kuala Lumpur *BERITA HARIAN* in Malay 15 Nov 89 p 2

[Text] Kuala Lumpur, Tuesday [14 November]—The government plans to ban exports of logs in order to enable the country to enlarge downstream industries in the logging sector, Deputy Prime Minister Ghafar Baba said.

He said the government wants the ban to become effective immediately since it will give opportunity for greater added value through downstream industries.

With the banning of log exports, foreign businesses can invest in the wood industry. The action will result in expanded investment and more jobs.

Ghafar Baba said that the ban on exports cannot be imposed all at once, however, because it involves the main product of Sabah and Sarawak, the principal producers.

"Sabah and Sarawak agree in principle with the government's plan but are not yet prepared to create downstream industries, because log exports are their main source of income," he said to reporters today after inaugurating the 1989 Malaysian International Exposition here.

Initially, beginning 1 March 1990, the government will impose a high Export Restriction Tax to limit exports of logs.

In the first phase, the tax will cover only several types of logs from the Peninsula, because the government realizes that Sabah and Sarawak still depend on log export revenues as their principal income.

Ghafar said the Central Government actually has no intention of interfering with exports of logs from Sabah and Sarawak, because it is a matter for the state governments.

"The Central Government merely advises and encourages. In fact, the Treasury has been directed to study the possibility of paying compensation if the two states are willing to stop log exports," he said.

He stated that the plan to ban these exports is not in response to outside pressure but is solely for the purpose of expanding the domestic wood industry.

Malaysia's exports of wood last year were valued at 7 billion ringgit, made up of logs worth 4.8 billion ringgit, sawn timber (1.8 billion ringgit), plywood and veneer (600 million ringgit), molding (400 million ringgit), and furniture (90 million ringgit).

PAS Members Join UMNO

90OG0092B Kuala Lumpur BERITA HARIAN in Malay 14 Nov 89 p 2

[Text] Nibong Tebal, Monday [13 November]—Zain Bakar, president of the Seberang Prai Selatan branch of PAS [Pan-Malaysian Islamic Party] Youth, and 20 members of the party have joined UMNO [United Malays National Organization] because they are confident that UMNO can unite the Islamic community.

The group presented its membership registration form to UMNO's Sungai Bakap branch, near here, 4 days ago.

Haji Yusof Ariff, chairman of the Information Bureau of the Nibong Tebal division of UMNO and president of the Sungai Bakap branch, confirmed today that he had received membership forms from Zain and the 20 members.

"We welcome the membership of more Malays in UMNO, particularly PAS members," he said.

He said the joining of UMNO by the former PAS members demonstrates the effectiveness of UMNO efforts to unite the Islamic community.

He hoped Zain will be able to help by giving clearer information on current issues, especially among citizens who have been influenced by propaganda regarding government projects.

Therefore, he said, his bureau will sponsor an assembly of the Islamic community at Kampung Besar Community Hall, near here, on 26 November.

"The objective of the assembly, which is expected to have an attendance of 500 people from the Seberang Prai Selatan area, is to strengthen unity through application of Islamic values," he said.

He said that Haji Mohd. Yusoff Abdul Latiff, president of UMNO State Information and Liaison, will make an address. Another leader expected to speak is Anuar Musa, member of the Malaysian UMNO Youth Movement Executive Committee.

Earlier, the bureau held talks with Haji Zain Omar, chairman of the State Public Works Committee, about the flood problem in Sungai Bakap and with Dr Ibrahim Saad, chairman of the State Agriculture Committee, about the socioeconomic problems of residents of Sungai Tok Tuntong, Sungai Aceh.

Commentary on UMNO General Assembly, Next Elections

90OG0093B Kuala Lumpur WATAN in Malay 16 Nov 89 p 7

[Text] Not only has election fever struck party leaders but most Malaysians have begun to talk about the elections, which are to be held at any time before August 1991.

The statement by Prime Minister Datuk Sri Dr Mahathir Mohamad that elections may be held soon has prompted new public interest in having a part in the upcoming election campaign.

The top leaders of the National Front [BN] component parties are busy readying party machinery to ensure that BN seats will be kept and that seats lost to the opposition will be recovered.

Legislators and leaders recently chosen at the division level have become busy lobbying to make sure they will be listed again as candidates.

At the same time, legislators who have been "temporarily pensioned" are also busy proclaiming their previous leadership in order to get places as candidates.

The situation has become so serious that the president of UMNO [United Malays National Organization] has been compelled to declare that a person elected as division president will not necessarily become a legislator.

Objective

In this connection, the UMNO General Assembly being held on 16 November appears to be an opportunity for "new leaders" at the division level to win places as candidates. The assembly is the best place for them to display their images as potential leaders, although the main objective of the assembly is to strengthen the government party.

The question now is whether the National Front will be able to regain all the seats in Parliament held by Spirit of '46 leaders. So far, there are 10 parliamentary seats held by the Spirit of '46, most of them by leaders with wide political influence and experience.

With more than 20 years of political activity, each one has strong personal support. Their supporters are an important basis for their preparation for the next elections.

For example, in the Jelebu parliamentary district, which is represented by Datuk Rais Yatim, voter support for him has not budged. The contributions he made while chief minister and cabinet member may make many voters in the district feel indebted to his leadership.

His position as deputy president of the Spirit of '46 reflects the fact that support for his leadership is still strong. Many voters in the Jelebu district still give moral support to Datuk Rais' leadership there.

Voter support of a personal nature will enable the Spirit of '46 leader from Negri Sembilan to keep his seat in the upcoming elections.

In a related matter, it has been learned that two SEMARAK [Loyalty With the People Movement] conferences in Negri Sembilan and in the Jelebu parliamentary district received a cool reception from the public.

Many UMNO members from other districts were "imported" when UMNO held the second conference. The presence of Deputy Prime Minister Ghafar Baba reportedly failed to attract residents of the district, even to hear a speech by a leader of the governing party.

Support

The lack of support for SEMARAK reflects the fact that the support and sympathy of Jelebu voters for Datuk Rais is still strong. The question now is, how will the BN be able to regain the seat? Who is the UMNO candidate willing to compete against this former member of the UMNO Supreme Council?

There is so far no UMNO leader in Negri Sembilan capable of competing against the influence and experience of Datuk Rais Yatim. The current division president, Datuk Shamsul Bahari Mat, who is also a member of the State Legislative Assembly from Klawang, is considered to be inexperienced by some political observers.

In the 1986 general elections, Datuk Rais won 16,137 votes, defeating the PAS [Pan-Malaysian Islamic Party] candidate by 11,432 votes. The four winning BN State Legislative Assembly members, Datuk Shamsul Bahari (Klawang), Abdul Kadir Kassim (Pertang), Abdul Muhi Abdul Wahab (Sungai Lui), and Wong See Wah (Pera-dong), received only 15,284 votes.

The vote tallies showed that personal support for Datuk Rais produced 313 more votes than those received by the other BN candidates. The question now is, can those four candidates compete against Datuk Rais?

Influence

The influence of Tengku Razaleigh Hamzah is said to be strong in the Gua Musang parliamentary district, too, and the opportunity for him to repeat his victory is good. In the last elections, he won by 7,319 votes. The PAS candidate, Haji Wan Abdul Rahim Wan Abdullah, received 5,219 votes.

With the support of the Dabong member of the State Legislative Assembly, Haji Rozali Isahak, the Spirit of '46 will be able to keep its Gua Musang seat.

As president of the Spirit of '46, Tengku Razaleigh Hamzah is more fortunate than other leaders. The rather strong position of PAS in Kelantan permits voters there to support Tengku Razaleigh Hamzah, although there was a report that 4,000 voters were brought in from the outside in order to defeat the top leader of the Spirit of '46.

Tengku Razaleigh's former status as one of the main UMNO leaders may contribute to the "sympathy" that people show toward Spirit of '46 and PAS efforts in Kelantan State.

Meanwhile, there is still strong public support in Perlis State for the member of Parliament [MP] from Kangar, Datuk Radzi Sheikh Ahmad. In the recent campaign for the presidency of Kangar UMNO Division, the state UMNO leader, who was one of the founders of UMNO, was defeated by Datuk Radzi's "proxy" candidate. The current division president was division UMNO Youth president when Datuk Radzi led the UMNO division. The victory of the young leader over the founding president of the division, who also had been an MP with the backing of the chief minister, demonstrated the public support that exists for Datuk Radzi. As a son of the former Perlis chief minister, Datuk Radzi has the support of many voters, both new and "veteran." The comment of political observers that he has a "covert" influence on UMNO planning in Perlis is no exaggeration.

The status of the Shah Alam MP, Datin Paduka Rahmah Osman, is similar. Her positions as president of Spirit of '46 Women and former vice president of UMNO Women are proof that her leadership is accepted by women in this country.

Service as deputy minister in several ministries has given her valuable experience for her ongoing political activity.

The question is whether there are UMNO figures in these divisions who can be put forward to compete against the high-caliber Spirit of '46 leaders.

The support and experience possessed by these leaders permit voters to continue to back them even though they run on an opposition ticket. Political currents now indicate a tendency for people to avoid voting for delegates "imported" from other districts. For voters, the main principle is that candidates should be local people.

Under these conditions, the government is more fortunate because it possesses extensive resources and facilities for the elections. Allocations channeled to the public all year long and concentrated at election time can soften the hearts of voters toward government party candidates.

The question now is whether there are UMNO figures who dare to come to the fore to compete with Spirit of '46 people. Some UMNO leaders feel that in order for the BN to regain opposition seats voters in those districts must be persuaded that the government will channel development to them and that their interests will be safeguarded by voting for government candidates.

As an example, candidates who are successful in defeating Tengku Razaleigh Hamzah and Datuk Rais Yatim need to be given places at the national level. In this way, representatives of the respective districts will continue to be leaders in the Central Government, and the interests of the people will continue to be ensured.

Investors Awaiting Decision on Bases

42000028C Manila *MANILA BULLETIN* in English
9 Nov 89 p 1

[Text] Foreign and local business interests are waiting for a clearcut government policy on the U.S. military bases issue before investing in the proposed special economic zones to be located at the Subic naval base and the Clark Air Force base, Senate Majority Floor Leader Teofisto Guingona said yesterday.

Guingona also said the country is expected [to] lose P18 billion a year if the U.S. military bases are pulled out.

This loss can be replaced by viable industrial and business establishments to be set up in the employment-generating special economic zones, Guingona emphasized.

The number three Senate official also said Congress can enact a law allowing countries which have no diplomatic ties with the Philippines to invest in the country under a social, business and cultural relation to give investors what they consider as their protection.

The Senate will look with favor the "Taiwan Friendship Act" bill filed in the House of Representatives but will not identify Taiwan as the only country that could invest in the country since the Philippines adopts the One-China policy, he said.

These foreign and local business interests, including the other countries to have special cultural, business and social relations, will accelerate the economic pace of the Philippines, Guingona said.

In a press briefing yesterday, Guingona also said that he would soon file a bill providing a P50 million, one-year information drive on the pros and cons of the U.S. military bases issue as the RP-U.S. military bases agreement (MBA) is to expire in September, 1991.

Guingona also reiterated the Senate's stand that it would treat with "cordial neglect" the House-initiated bill seeking the people's mandate through a referendum on whether they favor any new U.S. military bases treaty before it is sent to the Senate for concurrence.

Guingona said studies by the Executive-Legislative Bases panel on the alternative uses of the U.S. military bases showed that these special economic zones can match the claim of the U.S. government that it pumps \$1 billion a year into the operation of its military bases in the Philippines.

He said the panel is already formulating plans on the alternative uses of the bases to be sent to President Aquino.

The criteria on the selection of consultants who will implement the special economic zone scheme will be sent out next year, he said.

Guingona said there are now offers of business interests to invest in the bases to be vacated by U.S. military bases since the basic infrastructures are already in place.

Editorial on Aquino's Decline in Popularity

42000029B Manila *MANILA CHRONICLE* in English
8 Nov 89 p 5

[Text] Surely, the palpable decline in the popularity of President Corazon C. Aquino is a major reason why the Marcos loyalist forces have become so bold in their protest action against the Government. For unlike in the past wherein the administration could ban on "people power" to counter threats against its survival, it is now a big question mark whether President Aquino still has the charisma to rally people to take to the streets in defense of the Government which they helped install in 1986.

To claim that the public has gotten weary of an indecisive leader is to merely scratch the surface of the problem. This perception of weak leadership on the part of the President is actually rooted in a number of structural reasons. In simple terms, the ineffectivity of the present leadership must have translated into some concrete experiences which have adversely affected the daily routine of an ordinary member of the public to convince him of the President's below par performance.

While the Government's priority of creating more jobs and alleviating the poverty situation are indeed laudable goals, their attainment is not enough for the citizenry to become contented with the government. A citizen's encounter with the government is usually confined to the services provided by the latter. Job security and increases in income are seen more as products of the individual's industry rather than a boon from Government.

A relationship between both services and jobs undoubtedly exists. But in the art of governance, it seems that the relationship is based more on a time frame rather than as a matter of emphasis.

To be an effective and impressive leader, one must guarantee the efficient delivery of basic services. Job creation and poverty alleviation can follow later. This means that the planning horizon for the provision of basic services must be short term while job creation and poverty alleviation should be viewed as long-term objectives.

In Metro Manila, for instance, it is easy to see that the primary reason for the decline of the popularity of this Government is the extremely inefficient delivery of basic services in the city. The transportation crisis, aggravated by the ubiquitous traffic jams and pot holes on the road, are enough to convince one of the urgency by which the President instructed her people to remedy the garbage problem, the nuisance is far from being licked.

In the rural areas, we are faced with a similar situation. Most of our national highways and bridges have not

heard the word "repair" for a number of years now. If the situation of national roads are appalling, one can describe the condition of our secondary and feeder roads as a "disaster." No small wonder then that it is much cheaper to import some agricultural commodities from the U.S. or Thailand than transporting them from the rural areas to our cities.

A good case is Los Banos, a municipality just 60 kilometers away from the bustling city of Manila. In some barangay of Los Banos, electricity was restored only recently after typhoon Saling devastated the place last October 11. A call from Los Banos to Calamba (a town 15 kilometers from the former) is already considered by PLDT as a long distance call. These "abuses" happen despite the first-world facilities of the International Rice Research Institute and the presence of more than 300 Ph.D. holders on campus.

Another contributing factor to the decline in the President's popularity in the rural areas is the economic stand-still there. The Government has conceived of poverty alleviation programs targeted to improve the plight of the bottom 30 percent of our income quintile in the rural areas, but these are expected to become mere palliative measures without the effective implementation of the agrarian reform program.

Meanwhile, cause-oriented groups view the growing isolation of the Aquino Administration as a consequence of the further entrenchment of the conservative bloc in the Government. The departure of the feisty, though progressive, NEDA Director General Solita "Winnie" Monsod from the Cabinet lends credence to this view.

Though the resignation of Monsod was not welcomed, it was nevertheless expected. The dominance of conservative economic technocrats is viewed as a complementary development to the revival of traditional politics in the political scene. While it heralds a more harmonious relationship among the Cabinet members, it unfortunately signals the alienation of this Government from the groups that actively participated in its installation to power.

The rift between the President and the popular sector will predictably continue considering the conservative trajectory of the Government's current policies. If this Administration fails to sustain economic growth, the President's popularity is bound to slide further.

The Administration is thus desperate to attract more foreign visitors into the country and to obtain more loans from our creditors. It is the only way to ensure economic growth (in the process enhancing its legitimacy) in the face of economic and political measures which are meant to exclude the popular sector from effective participation in body politic.

Without the active support of the popular sector and the cause-oriented groups, I am quite pessimistic about the survival of democracy in the country. This is the reason

why I feel that industrialist Jaime Zobel's appeal to his fellow businessmen to support the Government has a hollow ring to it.

When the crunch comes, it will not be their support that will count but that of the backing of the popular sector. Our experience with the imposition of martial law in 1972 taught us that while we busy ourselves fighting for our freedom during that crisis, these "respected" businessmen were preoccupied with protecting their profits. Well, they are just being consistent with the saying that "capital has no loyalty except to profit."

Editorial: Peoples Perception of President Corazon Aquino

42000028A Manila MANILA CHRONICLE in English
3 Nov 89 p 4

[Text] "When I ran for the presidency in 1986, I think what the people were waiting for was the removal of the dictator through peaceful processes and the restoration of a democracy," said President Aquino last week before the Foreign Correspondents Association of the Philippines.

This probably sums up what President Aquino thinks the Filipinos expected of her or had the right to expect of her, and she is hurt and puzzled that, after having accomplished both missions successfully, she is being rewarded with increasing disenchantment with and bitter criticism of her governance.

Cory suggests that her being a woman remains a problem "in this macho world." That is only half true, though. Her problem, as far as gender is concerned, is that she is a very feminine woman and too nice a lady, with the emphasis on feminine and nice.

Filipinos want their leaders male or female, to kick ass, break heads and draw blood. That is why Miriam Defensor Santiago is so popular, despite her being a woman. People perceive her to be the exact opposite of Cory, whose guileless femininity they are getting impatient with.

Miriam's often abrasive and pugnacious style can be offensive, but it is more effective for the image of a leader than Cory's every smiling, can't-hurt-a-fly public persona. Cory once signed to then Tourism Secretary Jose Antonio Gonzalez that "the trouble is that no one seems to be afraid of me." That is really the root of her problem, not the fact that she is a woman.

President Aquino also observed that the people "would like to get the best of both worlds—the swift government action possible only under a dictatorship, and the rights enjoyed under a democracy. [Quotation marks as published.]

The now widespread hankering for "a stronger leadership," even for a military takeover, is more a reflection on the perceived shortcomings of the incumbent leader than a condemnation of the liberal democratic system.

There is no inherent contradiction between swift decisive government and the democratic processes. With some adjustments in both leadership and system, Philippine liberal democracy can be made to endure. The ability of the Singapore government to deliver efficient services has more to do with good leadership than with the constricted democratic space in which it operates.

President Aquino seems to take comfort that "I have been called weak and indecisive. At the same time I've been called vindictive and heartless. So take your pick." This seems to prove to herself and to others that she is really neither weak nor indecisive nor vindictive nor heartless.

Actually, like most people, she is and can be any of all four, depending on the occasion. ON matters of state involving things abstract, impersonal or far removed from considerations of clan, she is indeed often "weak and indecisive," unsure of herself, forever waffling, uncomfortable at having to make concessions, and—one can surmise—extremely bored by it all.

Her refusal to take a strong position on the Mindanao Organic Act, even though she herself signed it into law, is only the latest manifestation of her apparent unease with abstract matters of state. We can guess that she will take a similar neutral position if and when a referendum on the U.S. bases is called. Which should give the Americans something to worry about.

However, on matters that involve her person, her family or her clan, she is not "weak and indecisive" but can in fact be "vindictive and heartless." Thus her uncharacteristic "No terms!" attitude toward Gringo Honasan after his putschists inadvertently wounded her only son in their failed coup attempt in August 1987. If Gringo had not endangered the Presidential Family, he might have been amnestied after 30 push-ups.

President Aquino's firm resolve against the return of the Marcos cadaver is rooted in the personal hurt that she and her family endured from Ninoy's incarceration and assassination. National security is invoked, on shaky legal grounds. But the real motivation is personal. In this, she is just being quintessentially Filipina. And we all understand and support her.

The President's biggest disappointment is the apparent ingratitude of the Filipinos, especially the rich and the middle class, after she spent four of the most traumatic years of her life successfully toppling the dictatorship, restoring democratic rule, and turning around a bankrupt economy.

By any criterion, these are outstanding achievements in such a short period. More macho leaders in other climes have accomplished less in more time, and have come out clear winners. Why is she now being branded a failure?

The crux of the matter is expectations. President Aquino's concept of her historical mission was to

remove the Marcos dictatorship and restore the political processes destroyed in 1972, in both of which she was spectacularly successful.

But the largely unexpressed expectations of the upper and middle classes are not just for a return to the pre-1972 order, which is as inadequate for nation-building as the post-1972 order is undesirable. The restlessness comes from an unspoken longing that the leadership should not just look back to an inadequate past but, more importantly, should strike out boldly into the future with an exciting vision. The nation is decrepit and is badly in need of much social engineering.

But this would be an exercise in the abstract, which President Aquino is neither intellectually at ease with, nor politically prepared for, nor psychologically disposed to. Not being a visionary, she is bored by this kind of activism. And so are her closest advisers. This is the nature of our quandary. And there is nothing we can do about it until 1992.

Commentary on Revising Political System

42000029C Manila MANILA CHRONICLE in English
10 Nov 89 p 4

[Text] In the Philippine Futuristics Society forum on the elections in 1992, Governor Villafuerte, fellow reactor to Tony Gatmaitan's exposition, agreed with me that the present presidential system should be changed in favor of a parliamentary system. In fact, he said, he has a study group brainstorming on the idea.

But he cautioned that the only way to amend the Constitution in this direction would be through the referendum initiative act, which becomes operative at the earliest on February 2, 1992, or a mere four months before the 1992 presidential elections. This would mean extending Cory Aquino's term for at least another year. Some people, including possibly President Aquino herself, would groan at the idea, but I'm willing to grin and bear it for the sake of substantive change.

Gov Villafuerte also advised that non-politicians jockeying for 1992 and eschewing the traditional political parties should have their NGOs and grassroots organizations in place before June 1991. He estimated that such a political infrastructure would cost some P50 million to build.

Louie's other fearless forecasts: If Cory does not run in 1992, the LDP nomination would go to either Neptali Gonzales or Marcelo Fernan. If Salonga does not run, the LP nomination will go to an outsider. If Eddie Ramos does not join a party or set up his own organization in the next 12 months, he will be out of the running.

Columnist Chito Villanueva lamented the tremendous expense in running for office, and he termed as alarming

the increasing Chinese influence in the Philippine economy. Economic influence inevitably translates into political influence.

Chito argued that we do not really have a liberal democracy here. Under the present system, "anyone in this room who had the money can be president in 1992, and he could do no worse than Cory." Chito also batted for a parliamentary system, which he sees as the only alternative to a military takeover.

My advocacy of the parliamentary system is based largely on pragmatic grounds. Our present U.S.-style presidential system, in which leaders are changed every six years, is arbitrary. Six years are too long for an incompetent president and too short for a good one. Such a system is not conducive to long-range planning, which is necessary if economic growth is to be sustained.

All the successful countries around us achieved their take-off stage under regimes that enjoyed continuity in office. It is true they are or were authoritarian and that we also had an authoritarian regime that stayed for 14 years and turned out to be a disaster.

Neither South Korea nor Taiwan could have become tiger economies without the active participation of the military for 20 years or more. Malaysia and Singapore have been parliamentary democracies since 1959, but both have a constricted democratic space that Filipinos, used to institutionalized anarchy and accustomed entropy, find distasteful.

Thailand, the current favorite in the development sweepstakes, has had a heavy military presence in parliament since 1976. Indonesia's successful efforts to industrialize, though orchestrated by a civilian, Dr Baharuddin Jussuf Habibie, has entered its 14th year by virtue of the support of the military, who have wielded political power since 1966.

But there is nothing inherently incompatible between the liberal democracy that we aspire for and an acceptable long-ruling leader, if we can find one. Our political system has to be revised, however, to make it possible for such a leader to emerge. My favorite example is Tage Erlander who was prime minister of Sweden for 33 years. Yet Sweden has a democratic socialist political culture and is more liberal and more democratic than any other country in the world.

But this is possible only under a parliamentary system in which a leader remains in power as long as his party retains a majority in parliament, and he or she keeps the leadership of that party.

In a parliamentary system, there are regular elections—say, every five years—to renew the mandate of the party in power, but the parties provide continuity of both leaders and programs. At the other extreme, an under-achieving or unpopular prime minister and Cabinet can

be removed anytime they lose a vote of confidence in parliament. No need to wait three or four years to get rid of a certified wimp.

Aside from this, a parliamentary system would minimize the incessant conflicts that we now have between the executive arm and the legislature, since both prime minister and Cabinet members are drawn from the ranks of parliament. There is also the added bonus of party discipline, of moving our politics away from personalities to issues, as MPs are forced to follow their parties' platforms or face expulsion.

Furthermore, a true parliamentary system is closer to the democratic ideal of political pluralism than a two-party presidential system. Ideally, the sum of human social aspirations should not be reduced to only two options. If they can be convinced to terminate their armed struggle, the Communist Party should be legalized and allowed to compete in the parliamentary arena.

The fact that MPs represent smaller electoral districts reduces the cost of running in national politics, thus enlarging the pool of aspirants and, theoretically at least, improving the quality.

But, a word of caution. A parliamentary system is not a cure-all. It has its own pitfalls, among them the danger of precipitating a revolving door changeover of governments, in the manner of Italy and, earlier, France. But the presidential system is now a confirmed failure in this country. We can't do worse with a parliamentary system.

Civil Servants Group Assails Emergency Powers Act

HK1512120789 Quezon City GMA 7 Radio-Television Arts Network in Tagalog 0030 GMT 15 Dec 89

[Text] Courage, an association of government employees, today assailed the granting of emergency powers to the president. In a news conference earlier today, Courage said that a cabinet revamp must be carried out in order to resolve the problems on prices, transportation, traffic, and land reform. According to Courage, the emergency powers act is another form of dictatorship and could not resolve the country's economic problems.

Decline of Ramos' Popularity Among Soldiers Reported

HK2012140189 Quezon City MALAYA in English 18 Dec 89 pp 1, 2

[Text] The popularity of Defense Secretary Fidel V. Ramos is waning among soldiers because of perceptions that he has placed his political ambition above his duties, a former Navy captain who was detained during martial law said recently.

Speaking at the launching of the Active Peace Forum, Danilo Vizmanos said that in interviews with enlisted

men, they frequently complained about favoritism by Ramos. They said officers close to him get plum assignments and extra privileges.

They also complained about the manner of selection of the chief of staff, saying most of the appointees came from the Constabulary.

Vizmanos, a graduate of the U.S. Naval Academy in Annapolis, was among the youngest captains (a rank equivalent to colonel in the ground forces) in the Navy when he resigned in the early 1970s because of disenchantment with the politicalization of the military.

He was jailed upon the declaration of martial law.

The Active Peace Forum was organized to generate grassroots support for the constitutional government in the face of the series of attempts to overthrow President Aquino.

At the launching in Marikina, speakers called on the government to address the roots of military discontent which, they said, were political and socio-economic.

Other speakers include Rene Agbayani, faculty member of Department of International Studies in Miriam College; Dr. Gaston Ortigas, dean of the Asian Institute of Management; Dr. Olivia Caoili, UP [University of the Philippines] political science faculty member; and Ross Tipon, a freelance journalist.

Demoted CPP Leader Emerged As Regional Chief
42000028B Manila MANILA CHRONICLE in English
1 Nov 89 p 7

[Excerpt] Jose B. Luneta, a demoted ranking communist party leader, has re-assumed his post as the chief of Southern Luzon Regional Party Committee, the military said yesterday.

Luneta, appearing in the military's order of battle as also a member of Communist Party of the Philippines' Politburo and Central Committee, was reported to have been demoted for his alleged mistake in the implementation of a purge.

Military authorities offered P500,000 for information leading to his arrest.

In his briefing yesterday to Defense Secretary Fidel V. Ramos in Camp Nakar, Lucena City, Southern Luzon Command chief Brig Gen Alejandro Galido said Luneta alias "Ka Choy" and "Ka Papa" is again leading the communist movement in Regions IV and V.

It was reported earlier that the CPP demoted Luneta to a mere district level head after he mismanaged the "Operation Missing Link." The operation was conducted in 1988 after ranking rebels were rounded up by the military in a series of operations. Hundreds of New People's Army regulars were believed to have been executed by their comrades in suspicion that they were "deep penetration agents."

The military had found several mass graves in Quezon and Laguna. Twenty-three skeletal remains retrieved from these graves were buried by the military last week in Candelaria, Quezon.

Earlier, Constabulary intelligence officials said Luneta was also demoted because "he is a homosexual." His demotion was allegedly recommended by rebel leader Satur Ocampo and his wife Carolina Malay before their arrest. [passage omitted]

Paper Predicts NPA Out of Mindanao in 2 Years
42000030A Manila MANILA CHRONICLE in English
12 Nov 89 pp 1, 6

[Text] Army chief Maj. Gen. Manuel Cacanando predicted yesterday the New People's Army (NPA) would be wiped out in less than two years in Mindanao as troops continued to seize control of the critical "choke points" in the mountain lairs of the rebels.

In northwestern Mindanao alone, the military has claimed at least two main guerrilla bases have been dismantled with Cacanando's "fast-track" method which restricted the movements of the rebels and cut off their supplies.

Speaking before the Manila West Lion's Club 24th anniversary at the Quezon City Sports Club, Cacanando said the deployment of more troops to the hinterlands has forced the rebels to move deeper into the mountains and still farther away from their communications and supply points.

"Employing this strategy against the rebels, I believe, it would not be long when some of them would be coming out and giving up the fight," he said.

Since becoming Army chief three months ago, Cacanando has been asking field commanders to move their units deeper into the mountains where the rebels have been camping.

Cacanando's method is considered as the "fast-track" strategy of gradually constricting guerrilla bases and is different from the systematic Special Operations Team (SOT) concept of his predecessor, retired major general Mariano Adalem.

Adalem's method was to dismantle the rebels' political infrastructure in the barangay one by one, moving slowly towards the core of the guerrilla front, until all the areas are totally "liberated."

Cacanando said the military with its resources and mobility can swiftly move troops to the hinterlands.

In the AFP General Headquarters (GHQ) timetable, five major rebel fronts would be dismantled in Cotabato, Davao del Sur, Davao del Norte and Misamis Occidental. These rebel fronts were believed to be the strongest, well-organized and better-armed.

The rebels belonging to rebel front "Monterosa" in Misamis Occidental have suffered heavily since troops have moved in to an area near the rebels' base, the military said.

The military commanders in the area have also reported a dramatic increase in the number of encounters between the rebels and the soldiers during the three-month period since the troops moved in close to the rebels' lairs.

The four other fronts nearby were also affected by the setbacks by Front "Monterosa," the military claimed. For instance, Front 77 was dismantled by the military, reducing its armed members to fewer than 30 ill-equipped fighters.

Fronts "Amores," "Jeramie," and "Big Beautiful Country (BBC)" were also affected by reduction in fighters and supporters. Many people who used to support the rebels have joined the military-organized "barangay information network (BIN)," an intelligence group feeding the military information on the movement and activities of the rebels.

Col. Rodolfo Garcia, an infantry brigade commander in Zamboanga peninsula, told reporters that most of the AFP-initiated encounters and raids on rebel safehouses were provided by their civilian agents working for the BIN.

The rebels' five district committees in "Monterosa" was reduced to three while a section committee was dissolved following the killing of top rebels, including a certain Ka Finland who was a National Democratic Front (NDF) negotiator during the 60-day truce three years ago.

In Southern Mindanao, the rebels' Front 51 based in Davao del Sur has also been experiencing a similar problem as AFP troops started camping out a slope away from the base of the rebels' main regional guerrilla unit (MRGU) in the region.

The nearby rebel Front 52 based in the Paquibato district of Davao City, apparently the strongest in Mindanao, was also having difficulty facing the Army's three battalions.

Lucena Bishop Condemns Military Raid on Church

HK1512104989 Manila THE MANILA TIMES in English 14 Dec 89 p 2

[Text] Lucena Bishop Ruben Profugo yesterday condemned the military's raid of the Atimonan Parish Church "without due warrant" last week in search of communist rebel leader Gregorio Rosal alias Ka [comrade] Roger.

Profugo likewise expressed alarm over "another incident" which the church viewed as a breach of the agreement entered into by the Catholic church and the military two years ago.

The agreement states that "no seizure and searches in the Catholic church shall be conducted by the military without prior clearance from the highest church official in the diocese."

Last week, army troopers of the 31st Infantry Battalion raided the Atimonan Catholic Church purportedly in search of Rosal, New People's Army (NPA) Banawe Command spokesman, who was suspected to be in hiding in the church.

Fr. Roberto Andrey, former Atimonan parish priest who was not around when the incident happened said the soldiers woke up his brother, Emmanuel and ordered the church doors opened.

The soldiers also searched the rectory where Andrey's parents slept to look for the NPA leader.

Andrey said that the soldiers even suspected that the NFA [National Food Authority] rice stock were intended for the NPA and the candle stove as being used to cook rebel's food.

Andrey said that Southern Luzon Command chief Brig. Gen. Alejandro Galido (on leave), in his conference with Profugo, admitted that the raid conducted by the soldiers was illegal "without proper documents to show."

Report of NPA Rebels Killed in Cordillera

42000026A Manila MANILA CHRONICLE in English 5 Nov 89 p 6

[Text] Camp Dangwa, Benguet—Intensified military operations in the Cordillera resulted in killing of at least 34 communist rebels the past weeks, Cordillera Regional Commander Brig Gen Juanito Aquias said yesterday.

He said the guerrillas of the New People's Army (NPA) were killed in seven encounters with troopers in the provinces of Kalinga-Apayao and Abra.

The operations, Aquias said, were part of the Army's "Oplan Pakilala" aimed at neutralizing the rebel movement in the Cordillera.

More Scout Rangers and special action forces were fielded in the region to flush out the rebels from their strongholds in remote mountainous areas, he said.

In Abra alone, he said, there are two battalions on details there.

Aquias said the soldiers were supported in the operations by members of the Citizens' Armed Forces Geographical Unit (Cafgu) and the Cordillera People Liberation Army (CPLA) under former rebel priest Conrado Balweg.

The CPLA used to support the NPA in the Cordillera region.

In Banna-ao, Barangay Tanglag, Lubuagan, Kalinga-Apayao, Caggu and CPLA elements under Andres Dumpali encountered some 30 rebels, killing three in a 15-gunbattle, he said.

In Sudosoc, Pantikian, Balbalan, also in Kalinga-Apayao, soldiers engaged NPA guerrillas in a 30-minute gunfight. A certain Sgt Derandino and Pfc Pascual were wounded from the rebels suffered five dead.

Air strafing in Taluctoc, Tanudan, also in Kalinga-Apayao, also resulted in the death of a woman rebel and four male companions, Aquias told the CHRONICLE.

Joint forces of the Daguioman police, CPLA, and Caggu encountered 15 rebels in Barangay Ableg, Abra, killing seven rebels. Other rebels took six civilians as hostages.

Also in Taluctoc, eight guerrillas were killed after helicopters strafed the area where an NPA band was engaged in a gunbattle with militiamen.

Last Wednesday night, soldiers also killed six rebels in an encounter in Barangay Tomiangan, Tabuk. Recovered from them were an Armalite, one Garand rifle, three magazines for M-16 rifles and a typewriter.

Businessmen Want Limit on State of Emergency

HK1612065789 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 16 Dec 89

[Text] The Philippine Chamber of Commerce and Industry [PCCI] urged President Aquino not to extend the state of national emergency that she has declared beyond 6 months. According to PCCI chairman Aurelio Periquet, an extension could only contribute to greater instability in the country's economic and political situation. The organization also asked the president to review the country's situation after 3 months in order to assess whether a state of national emergency would still be necessary.

Overseas Workers' Remittance Totals \$2.5 Billion

HK2212062589 Quezon City Radyo ng Bayan in Tagalog 0600 GMT 22 Dec 89

[Text] Filipino contract workers overseas have remitted a total of \$2.5 billion to the country. There are presently 1.5 million Filipinos working in over 100 countries, said POEA [Philippine Overseas Employment Authority] administrator Tomas Achacoso.

Achacoso also said that based on Central Bank statistics, Filipino overseas workers remitted through authorized banks \$860 million to their relatives here. As a result, the workers have become a major source of foreign exchange to the government's coffers.

Even though the market for Filipino contract workers overseas has declined, Achacoso predicted a new surge in the coming year due to the development of new manpower markets like Taiwan and Japan.

'Indicator' Registers Decline in Strikes

HK2112040489 Manila BUSINESS STAR in English 21 Dec 89 p 2

[Text] The number of strikes and lockouts declared from January to early December this year was 26.7% less than those which erupted during the same period last year, indicating that through most of the current year, Filipino workers and companies opted more for negotiation rather than confrontation in settling their disputes.

According to the labor department's National Conciliation and Mediation Board (NCMB), the country's labor-management front was rocked by a total of 189 actual work stoppages between Jan. 1 and Dec. 7 this year. This was 69 cases less than the 258 strikes and lockouts which were declared during the same period last year, the NCMB said.

This year's strikes and lockouts, however, do not include yet those which were still pending as of the beginning of the period under review. There were nine pending cases at the onset of the current year thus bringing the total work stoppages to 198 as against 288 last year. Last year, pending cases at the beginning totaled 30, 70% less than this year's record, the NCMB said.

The NCMB further reported that fewer workers joined strikes this year. Per the agency's situationer, workers who went on strike from January to December this year totaled 49,078, 31.1% less than last year's record of 71,263. Consequently, lost mandays declined by 41.2%, from 1,459 million last year to only 858,000 this year.

The strikes which were declared this year mainly involved the manufacturing sector. The most strikable issues here were unfair labor practices and bargaining deadlocks.

Metro Manila remained the country's strike capital during the period. Until the first week of December, there were still 10 strikes which were ongoing. These involved seven manufacturing firms, a restaurant, a department store and a general merchandising store. A total of 1,890 workers were affected by such strikes, of which 95% or 1,791 actively participated.

Per the NCMB data, there were still six ongoing strikes elsewhere in the country as of Dec. 7 this year. Two of the strikes were in Region III (Central Luzon) while the other four were in Region IV (Southern Luzon), Region VII (Central Visayas), Region VIII (Western Visayas) and Region X (Northern Mindanao).

Of the work stoppages which hit the country's industrial front this year, the labor department was able to dispose of 182 cases or 91.9% of the total cases submitted either for settlement, the labor secretary's assumption of jurisdiction or compulsory and voluntary arbitration, such disposition rate, however, is slower by 1.5% from last year's rate of 93.4% involving 269 cases.

Meanwhile, notices of work stoppages filed during the period increased by 6.9% from 1,375 to 1,470, the NCMB said. This developed as the labor department during the period under review became slower in disposing of strike notices, by 1.7% from 88.8% or 1,408 out of 1,585 cases last year to 87.3% or 1,401 out of 1,604 cases this year.

Fortunately, the NCMB said, strike notices which developed into full-blown work stoppages decreased by 24.2% from 215 to 163 cases.

The labor department was also able to settle 1,107 strike notices this year, a 0.4% improvement from 1,089 cases last year. This was probably the result of preventive mediation the number of cases subjected to which increased by 20.3% from 498 last year to 599 cases this year. About 85.8% of preventive mediation cases were disposed of by the labor department, a slight improvement from last year's 85.5%. The number of workers to which the labor department extended preventive mediation services increased by 29% from 70,671 last year to 91,155 this year.

COMPARATIVE STRIKE SITUATION

	JAN. 1-DEC. 7, 1988 & 1989			
	Actual Work Stoppages 1988-1989		Notices of Work Stoppages 1988-1989	
Pending, Beginning of period	30	9	210	134
Strikes/Lockouts	258	189	1,375	1,470
Workers involved	71,263	49,078	316,428	338,523
Cases Disposed	269	182	1,408	1,401

Source: National Conciliation and Mediation Board (NCMB)

Agrarian Reform Department 'Infiltrated by Communists'

HK2012114389 Manila Manila Broadcasting Company
DZRH in Tagalog 0800 GMT 20 Dec 89

[Text] Agrarian Reform Secretary Miriam Defensor Santiago has revealed that the Department of Agrarian Reform [DAR] has been infiltrated by communists, who also occupy top positions in the department. Speaking at a press briefing, Santiago asserted that the government should act to counter the communist movement's agrarian program. According to her, the cabinet agreed to help the Defense Department, under Secretary Fidel V. Ramos, in monitoring the activities of communist rebels, notably their propaganda drive which sought to alienate the people from the government.

[Begin Santiago recording in English] We are entering into this memorandum of agreement pursuant to existing legislations, specifically Executive Number 129A, which gives to the Department of Agrarian Reform the authority and power to call on any agency of the government, including the Armed Forces of the Philippines, to assist in the implementation of the Comprehensive Agrarian Reform Program.

Basically, under this agreement, both departments agree to constitute an interagency committee that will operate on a continuing year-round basis to exchange intelligence information on the implementation of the program in the countryside. More specifically, we request, in the light of recent developments, from National Defense Department information on the so-called agrarian revolution of the Communist Party of the Philippines-New People's Army-National Democratic Front, or CPP-NPA-NDF. [end recording]

Santiago also claimed that nearly 40 employees of the Agrarian Reform Department are controlled by the NPA, and most of them hold responsible positions in the department which give them significant clout to oppose the department's projects.

Santiago made the announcement following the signing of a memorandum of agreement providing for cooperation between the Department of National Defense and the DAR in order to contain communist sabotage of the government's agrarian reform program.

UP Faces High Faculty Turnover Rate

42000026B Manila MANILA CHRONICLE in English
1 Nov 89 p 1

[Text] For those interested in seeing the country's future leadership, at least part of it is on display at the University of the Philippines [UP]. As the premier educational institution in the land, UP still attracts most of the country's brightest high school graduates. Thirty-four thousand applicants to UP, the most in its history, are vying for 7,000 places in next year's freshman class.

How the chosen few turn out depends greatly on the quality of teaching given to them.

If one asks the teachers themselves, the future leadership is imperilled by increasingly mediocre teaching.

Faculty members say the conditions at UP are driving some of their best colleagues to other institutions and other professions, discouraging gifted graduates from becoming teachers (or at least not in UP), and demoralizing the professors who stay on.

The rapid turnover among the faculty means many UP classes are being taught by first-time instructors.

Low pay, slow promotions, and an academic environment wracked by internal politics all serve to make teaching at UP a less and less attractive job.

"The best students are no longer going into teaching, fewer teachers are deciding to stay, and those who remain often have nowhere else to go," says Dr Gemino Abad, an English professor serving as the university's vice president for academic affairs.

Abad hastens to add, however, that UP reflects national situation where the teaching profession has lost much of prestige.

"If you neglect teaching, you end up with incompetent students. But nobody gets paid for teaching well. The rewards are in research," says Gerry de Villa, a philosophy instructor and one of the organizers of UP's Junior Faculty Caucus, a group of young faculty members bound by a desire to create a more "collegial" atmosphere on the Diliman campus. "It's a dog-eat-dog world now at UP. This cannot go on forever."

Some faculty members point to a memo issued to the faculty by UP Diliman Chancellor Ernesto Tabujara at the beginning of the School year as an indication of what the Junior Faculty Caucus has described as an "increasing erosion of values" at the university.

The memo warned "a few" unnamed faculty members who were grossly neglecting their duties about reports of "plagiarism of research" and "monetary transactions with students."

It may be too early to assess the real impact of the state of the faculty on UP students.

But one sign, some faculty members point out, is the poor performance in recent years of UP College of Law graduates in the bar exams, which UP graduates had dominated for decades. An unusually high number of UP's examinees have been failing the bar.

Student leaders sense a decline in the level of debate on campus, which they say shows a lack of stimulation by teachers.

"Before, you could get students to attend a forum on the basis of an interesting subject. Now you need big-name speakers for them to attend," says Ruben Carranza, a fourth year law student and the editor-in-chief of the

PHILIPPINE COLLEGIAN. "There's not enough debate in the classroom.... There's intellectual atrophy on campus, a tendency towards being petty and uncultured."

Carranza says it is a trend that can be corrected by the faculty. But the high rate of turnover among the university's teachers is "discouraging because it may be an indication that UP doesn't care about the quality of teaching."

University administrators say the brain drain from the faculty since the economic crisis of 1983 has created an acute shortage of teachers, especially advanced degree-holders.

Eighty-four professors with Ph.Ds. have left UP's Los Banos campus in the last five years, according to the university's Human Resources and Development Office (HRDO). Most have gone on to become specialists with international and regional organizations.

The Junior Faculty Caucus claims that about 15 percent of the junior faculty, or generally those faculty members below the rank of associate professor, do not come back the following year. UP president Jose Abueva says the turnover rate for the entire faculty is about 25 percent annually.

Precise figures on faculty turnover were still being tabulated, but the HRDO estimates that at least 500 faculty members have left the university system since 1984, many of them from the engineering and science faculties in Diliman. There are now 3,277 faculty members belonging to the UP system.

Engineering lost 49 teachers from 1984 to 1988, while the science departments lost 131 members of its faculty in the same period.

Belt-tightening measures have had the unintended effect of trimming meat, and not just the fat. An early retirement scheme designed to encourage some of the "undesirables" in the faculty to leave the university gracefully has instead led to the recent departure of some of the university's stars, among them anthropologist and former Constitutional Commissioner Pons Bennagen, and drama professor and stage director Behn Cervantes. Gabriel Iglesias, the dean of the College of Public Administration, has resigned his post and accepted a World Bank position in Sudan.

Editorial Calls for End to Isolation of Vietnam*BK1812021389 Bangkok THE NATION in English
18 Dec 89 p 13*

[Excerpts] Hong Kong's forced repatriation of 51 Vietnamese to Hanoi early last week once again drew world attention to the controversial and complex question of how to deal with Vietnamese boat people who have not been offered resettlement in a third country. Hong Kong and British authorities contended that it was more humane to send the Vietnamese home, where they truly belong, than to let them suffer in camps where they had waited aimlessly for months and sometimes years.

The outcry over the forced repatriation was expected. But even the Office of the UN High Commissioner for Refugees conceded that the 51 Vietnamese in question had gone through screening and had been classified as economic migrants rather than political refugees. Thus, sending them back home was not very different from what Hong Kong has been doing to illegal aliens from China or the U.S. to Mexicans and Haitians who have entered the country illegally to find jobs. [passage omitted]

What drove these Vietnamese to flee their country was a combination of economic hardships at home and opportunities in the West. [passage omitted]

This decade's economic slump in Vietnam was largely due to Hanoi's military adventure in Cambodia and the subsequent economic and political boycott by Asean and Western countries. Many Vietnamese leaders, including Foreign Minister Nguyen Co Thach, have conceded recently that entanglement in Cambodia had cost their country dearly. So Hanoi decided to pull out. Although the withdrawal has yet to be ratified by a credible international body, most observers agree that all major Vietnamese combat units and heavy arms were withdrawn by the end of September.

Yet Washington, which is in the position to help or hurt Hanoi the most, is still reluctant to open talks on normalizing relations. It has instead chosen to tie normalization to Vietnam's efforts to resolve the Cambodian conflict and the issue of evidence of the fate of American servicemen missing in action.

Other countries, however, including Thailand, have gradually softened their stance. These countries were quite satisfied with the withdrawal from Cambodia and as a consequence were prepared to stop isolating Vietnam.

Without the boycott, Hanoi will have a better chance of economic recovery and effective national development. This will, of course, reduce the number of Vietnamese who wish to take the risk of illegally fleeing the country for the possibility of better economic opportunities abroad.

The recent forced repatriation will send a clear signal that economic migrants from Vietnam can no longer

count on special treatment by the world community. Instead of fleeing and risking their lives in the process, they will have to just accept conditions at home and do what they can to help rebuild their country. Billions of people around the world—who like the Vietnamese have reasons to be dissatisfied with their living conditions—are doing just that. They are not deserting their homeland and demanding that the world community find them new and better homes.

Navy Chief on Corruption, Procurement, Vietnam Threat*90OG0089C Bangkok MATICHON in Thai
20 Nov 89 p 3*

[Interview with Royal Thai Navy Commander in Chief Admiral Praphan Kritsanachan; date and place not given]

[Excerpts] [Passage omitted] [Matichon] The statements made by the RTA CINC seem to indicate that corruption is rife today.

[Kritsanachan] There is corruption in every country. But if we compare Thailand with other countries, in my view, corruption is not as great here as it is in many other countries. Of course, it would be best if there weren't any corruption at all. But we don't know who is corrupt. There is no evidence. That is the duty of the units concerned, such as the OCCC [Office of the Commission to Counter Corruption].

I don't know what things are like in other units. But we are trying to suppress this in our units. We don't want any corruption in the navy. We have done a good job in suppressing corruption. Things have improved greatly. There used to be some corruption. We knew this and tried to eliminate it entirely. The important thing is that we have to be resolute.

But sometimes, taking the bull by the horns doesn't work. Sometimes you have to explain things so that people see the terrible effects that this will have on the military and society as a whole. Some may have been engaged in this for a long time and so it will take time. But things have improved greatly in the last 2 years. What is most important is that we must not do anything wrong.

[Matichon] Given today's political situation, is there any chance that the military will stage another coup?

[Kritsanachan] I don't think so. We have never talked about this. We are not interested in that. We are interested in economic development. If the civilian government is secure and can survive, that is good. That will generate greater security. There will be development, and it will be possible to implement the policies. [passage omitted]

[Matichon] Do you have a chance to see Gen Prem Tinsulanon, who is now a privy councillor?

[Kritsanachan] I occasionally visit him at his home. We talk about things in general. I don't visit him on an official basis. He is now a privy councillor and does not say anything about politics.

As for the house of the prime minister on Ratcha Khru Lane, officers meet to have dinner there every Wednesday. We discuss matters and the prime minister gives orders. It's good to have a chance to meet with each other. We sometimes discuss our work. Things have improved. [passage omitted]

[Matichon] How does Vietnam's military strength compare with that of Thailand?

[Kritsanachan] They are probably a little stronger than us. But we don't think about that. We think only about defending our economic interests. We don't, for example, want anyone harassing our fishermen. But those must be fishing boats that are operating in our territorial waters. We can't protect those who fish in international waters or the territorial waters of other countries, because that is contrary to international law. But if they are fishing in our waters, we can protect them. [passage omitted]

[Matichon] Can you tell us anything about the Eastern Seaboard Defense Unit?

[Kritsanachan] We have a coastal defense battalion stationed at Sattahip north of Saem San. Two AAA battalions will be stationed at Noen Krabo in Rayong Province. Reconnaissance aircraft will be stationed at Utaphao. Ships from the Operations Fleet will patrol the gulf in coordination with radar in the C-3 Program, which includes both air force and naval elements. This will also be coordinated with Supreme Command Headquarters with respect to radar, weapons, and forces.

The navy is spending only \$300,000 per year on this. The program will last about 5 years. We may build our own system. We don't want overlapping systems. We will install computers later. We want low-priced items that we can repair and upgrade ourselves. If we purchase systems from hightech countries, the cost will be high and we won't be able to develop them.

We may ask a Thai university to conduct a study. There are many highly-skilled Thais. They may not be the best, but they are certainly qualified. That will give Thais a chance to study things and develop. And it will not cost a lot of money.

[Matichon] What weapons does the navy plan to buy?

[Kritsanachan] We are trying to contact the producer countries directly. Recently, we have contacted several weapons producers in Europe. We have asked them to submit bids. That will save us money. We should be able to purchase the weapons for around 30 million baht instead of 100 million baht as in the past. Several companies in Spain, Austria, and England are competing. We are purchasing mostly 20-mm ammunition.

Doing things this way angers the middlemen. The middlemen don't do anything, but they tack on a commission of 2-3 percent.

We are trying to purchase items FMS [foreign military sales] from the U.S. Defense Department. That eliminates the problems. We are also purchasing weapons from China on a government-to-government basis. We negotiate with state officials. We have negotiated with the Chinese minister and signed purchase agreements.

Modalities for Cambodia Border Trade Discussed

BK1812040189 Bangkok *THE NATION* in English
18 Dec 89 p 20

[Excerpts] Despite the smouldering Cambodian war, prospects for frontier trade along the Thai-Cambodian border remain promising, in theory at least. Government officials appear to have taken to heart Prime Minister Chatchai's policy objective of transforming the war-torn region into a bustling market place. [passage omitted]

The National Security Council has directed the Interior Ministry to scrutinise both the wishes of businessmen and security concerns when selecting sites for trading posts. The policy urges that areas dominated by the Vietnamese-backed Heng Samrin regime be given the lowest priority.

Moreover, sites that may trigger disputes between Thailand and Cambodia over forest reserves or other natural resources should be avoided, it was recommended.

During a separate meeting, held on November 28, agency chiefs discussed preparations for future border trade and a recommendation that a trading post be established at Khlong Luk, Amphoe Aranyaprathet, Prachin Buri province.

Khlong Duk straddled an important trading route before it was closed shortly after the Vietnamese invasion of Cambodia in 1979. Civilian representatives at the meeting contended that Khlong Luk would make a good trading post because the village can be accessed by car and rail.

But opposite Khlong Luk is Poipet, a border town currently controlled by the Phnom Penh government forces. This provoked opposition from the army representatives at the meeting, who based their intransigence on security concerns.

They said Ban Nimit, a village 10 kilometres from the proposed trading post, is frequently threatened by fighting. Son Sann's military forces are currently threatening to attack the village, the army representatives contended.

Military representatives, instead, proposed three other border points for potential trading posts. They are Pa Phai, Ban Sano Noi and Ban Khok Satang. The meeting

approved the proposal and the recommendation has been forwarded to the governor of Prachin Buri for further consideration.

Atsawin Aphaiyawongse, secretary of the Aranyaprathet Traders Association, however, believes Khlong Luk would be a more suitable site.

Though the village is controlled by Heng Samrin's troupes and the area is open to further skirmishes, trading would not be affected, Asawin asserts.

"We are doing business with the people not the government. Political issues should not interfere with trade in any manner. Trading with people under the Heng Samrin's regime does not mean we recognize their government," Asawin said.

A source from the Foreign Affairs Ministry also voiced support for opening up Khlong Luk to cross border trade but said the government would also have to be prepared for volatility, as some military experts believe the area has been targeted by Son Sann's resistance forces.

The source also suggested that more temporary trading posts be established to set the ball rolling before the official posts are opened. This would also help efforts to stamp out illegal customs check-points and shrink the profits generated by illegal trade.

A 1981 royal decree that prohibits the sale of strategic goods across the border could prove to be something of a stumbling block, according to Asawin, who says the decree, which was enacted at a time when the country's stability was threatened by external forces, is now obsolete. [passage omitted]

Local merchants are frequently arrested by border police who say they are enforcing the decree.

"If the decree was to be strongly enforced, almost the whole town would be accused of violating the law," Asawin said with a smile.

Aranyaprathet residents are now looking forward to the establishment of an official border trading post even though they have had access to several "black" trading posts over the past year. [passage omitted]

Aranyaprathet markets are now filled with goods from Cambodia, many of which have been smuggled across the border. However, no action has been taken against sellers of these goods as the Interior Ministry has eased pressure on local officials. [passage omitted]

Chatchai, Cabinet Debate Economy Strategy on Inflation

42000025A Bangkok THE NATION in English
8 Nov 89 p 2

[Text] Finance Minister Pramuan Saphawasu came under some tough questioning by Prime Minister Chatchai Chunhawan at the weekly Cabinet meeting

yesterday on the problem of rising inflation and how to keep it below seven per cent.

Cabinet sources said that the premier's concern about the issue was obvious, with two hours of the meeting being devoted to the topic before the regular agenda was addressed.

The premier also raised the issue of the government's emergency relief efforts to typhoon-battered provinces in the South.

Gen Chatchai reportedly asked how the rising inflation rate, caused by a surge in the inflow of foreign capital would adversely affect the economy and the people. The premier maintained that whatever the case, inflation should not be allowed to exceed six or seven per cent.

Before the Cabinet meeting, the premier admitted for the first time the need to tackle the problem of inflation. The shift in his stance was obviously influenced by a meeting on Monday night with a group of academics who voiced concern over the inflation rate—as well as what they saw as the failure by the National Economic and Social Development Board (NESDB) to make equitable distribution of wealth the priority goal of the Seventh Plan, starting in 1992.

Sticking to his earlier statement that inflation was now less than five per cent, Pramuan told the Cabinet that rapid economic expansion in past months had caused the rise. The minister said that with increased earning, business enterprises and individuals had higher purchasing power, and hence the inflation.

On ways of controlling rising prices, Pramuan said that the ministry could adopt a strict monetary policy by reducing credit extensions by commercial banks. But many business enterprises could be severely affected if the government resorted to the restriction of credit, Pramuan said.

The private sector complained when the Prem administration forced commercial banks to limit credit extensions to 18 per cent of their respective deposits in 1984.

NESDB Secretary General Dr Phisit Pakkasem said his agency, the Finance Ministry and the Bank of Thailand, were working on an alternative measure calling for "selective credit control" to ensure that the bulk of credit would be channeled to productive sectors of the economy.

Critics blame the inflation on low interest rates and the excessive use of cheap loans for land and stock market speculation. Speculators, according to the critics, have profited from unproductive businesses which have forced land and stock prices up unrealistically. This will eventually discourage entrepreneurs from investing, they say, causing economic slow-downs in the next few years.

The explanation by Pramuan and Dr Phisit apparently failed to assure Chatchai, who told the minister to work

with the central bank and the NESDB in organizing an academic seminar on the issue.

The premier told Pramuan to invite "academics who are deemed qualified to air their views on the issue" to the brainstorming session—an apparent allusion to the critics who called on Gen Chatchai on Monday night, government sources said.

The premier also asked the Commerce Ministry to report the progress in efforts to keep the prices of basic consumer goods from soaring in Bangkok.

Deputy Commerce Minister Pinya Chuayplod said the ministry plans to increase the number of trucks transporting cheap rice and other staple foods to crowded communities in the city from 15 to 100.

But the premier said the measure was only a "quick fix" and that long-term solutions must be found to tackle the problem.

The premier said that the Commerce Ministry should also consider importing eggs, pork and other meats, prices of which have been rising because of the higher cost of animal feed.

After a debate on the issue, the Cabinet assigned Deputy Prime Minister Phong Sarasin to work with the Commerce, Industry and Interior ministries on short-term and long-term measures that the government could take to stem the negative effects of inflation on the public.

Before the Cabinet meeting, Chatchai told reporters that inflation could become a serious problem in the future but expressed confidence that his government was capable of keeping it from rising much further.

The premier said that both the issue of inflation and the question of increasing the rural people's standard of living were discussed when he met on Monday night with a group of prominent academics who have been critical of the government's failure to "democratise" the process of formulating national development strategy and of the low priority accorded to distribution of wealth.

The premier invited the critics, including Professor Saneh Chamarik of Thammasat University, Dr Jirmsak Pinthong of Thammasat University, Dr Ammar Siamwala from Thailand Development Research Institute and professor Nikhom Chantaravithoon, to a working dinner with his policy advisers—Kraisak Chonhavan, Pansak Winyarat and Dr Surakiarti Sathirathai—at his Rajakhru residence on Monday night.

The academics spearheaded a campaign to secure signatures from about 600 academics, students and other professionals to back their demand that the government allow Parliament and outside interest groups to participate in the formulation of the Seventh National Economic and Social Development Plan. National development plans have traditionally been exclusively designed

by NESDB. The critics also oppose the NESDB's decision to set as the plan's top priority economic growth and stability rather than equitable distribution of wealth.

It was a weary-looking Gen Chatchai who answered questions on the meeting with the academics, saying his government considered it its urgent duty to boost rural people's standard of living.

"At present, they are not receiving a fair share of the national income and they lack any security in their lives. This has to be corrected," he told reporters.

Chatchai said that the present inflation rate of 5-6 per cent was not extremely serious but the government was aware of the adverse effects on the country if it rose unchecked.

The government will set up a committee to analyse the inflation situation and recommend measures to control it, he said.

"The inflation rate has risen, in part, because of the surge in foreign capital inflow together with people's higher incomes, and higher spending levels," he said.

Dr Supachai Panitchpakdi, executive adviser of the Thai Military Bank, said the government's inflation rate figure differed from the 7.8 per cent estimated by the bank due to different means of calculation.

The government's figure was based on price changes over a nine-month period whereas the bank calculated the rate every month comparing it with the same month for the previous year, said Supachai, who is also chairman of the subcommittee formulating the Seventh Plan for the NESDB.

As a result, the average figure for the nine months appeared relatively low at five or six per cent because the rates for the first quarter was four per cent, with almost five per cent for the second and more than six per cent for the third, he said.

"Our figure is more realistic than the government's," Supachai said.

Supachai said that the rising inflation rate would not be serious if it resulted from economic expansion but could be dangerous if it resulted from unproductive spending on speculation.

Aide to Finance Minister on Policy Advice, Formulation

90OG0089A Bangkok MATICHON in Thai
19 Nov 89 pp 5, 6

[Text] [MATICHON] What will the inflation rate be this year?

[Aide] As we have said before, we don't pay any attention to anyone's figures except those of the Ministry of Commerce. That's because they have good tools, and their data are accurate. If the Ministry of Commerce

gives us a figure, we accept it. The Ministry of Commerce has the most accurate figures. The national bank uses the CPI [consumer price index] of the Ministry of Finance. They have their own way of calculating the index. The TDRI [Thailand Development Research Institute] has its own way. So do Bangkok Bank and the Thai Farmers Bank. Everyone has his own way of doing things. The rise in the inflation rate is due mainly to food. We have to find out why prices have risen. It may be that production costs have increased. Or perhaps merchants are taking this opportunity to raise prices. Perhaps demand is greater than supply in accord with the market mechanism. If there is great demand, a way can be found to bring in goods, that is, necessities. But if the demand is for luxuries, we should not allow these to be brought in.

Our overall standard of living has increased. We should be pleased about this. People shouldn't have to live in poverty. Prices have risen. But we can't let them rise too rapidly.

[MATICHON] Have any concrete steps been taken to solve the inflation problem?

[Aide] Several people have made suggestions. For example, some have suggested raising interest rates. The minister of finance feels that if we raise interest rates in order to solve the inflation problem, this could bring investment to a halt, and that could have negative instead of positive consequences. Thus, we don't want to do this at the present time.

He is considering implementing tax measures. A way must be found to curb land speculation, because speculating in land, or selling land at too high a price, leads to inflation. Farmers, for example, have high incomes, but they don't know how to spend their money. They buy luxuries. Steps must be taken to prevent this.

As for granting credits, the national bank has given suggestions to the banks on granting credits. Today's inflation stems from the fact that demand is greater than supply. That is the main reason. There are also other reasons, but the main one is the fact that demand is greater than supply. We have to find a way to bring in more goods. We have to reduce import duties. Today, for example, the duty on steel wire and cement has been reduced. This is using financial measures.

[MATICHON] What monetary measures are being used?

[Aide] The national bank is monitoring the credit policy. As was mentioned, some say that one of the causes of inflation is that large amounts of foreign money are coming into the country. This has increased the money supply. Is land speculation really the cause of inflation? The securities market is booming. Others say that it's because of raising the salaries of government officials. Has this really increased the amount of money in the country? All of these ideas must be analyzed. Based on the data provided by the national bank, they make a

distinction between short-term capital and capital invested in the securities market. Neither type is good. The short-term capital can be withdrawn at any time. But long-term loans and capital that is invested directly are all right.

Based on the figures provided by the national bank, the percentage of short-term foreign capital that has come into the country is only 20-30 percent. That is, the percentage is still much lower than that for long-term capital, which benefits the economy. The foreign capital in the country does not yet pose any danger. The state must try to discourage short-term loans and prevent too much money from being invested in the securities market. The national bank is monitoring this.

Sometimes it is difficult to control the private sector. The public sector is easier to control. For example, loans cannot exceed \$1.2 billion per year. The national bank has data on this. This has not escaped the attention of the national bank. There is no need to worry about this.

If inflation is due to speculation, the government will have to find a way to deal with this, using either tax measures or other measures, such as preventing people from borrowing money for speculative purposes instead of for activities that will expand production.

Today, the securities market has increased the margin rate to 90 percent. This has stopped speculation. Instead of borrowing money in order to speculate, people may start using the money to hoard goods. The government must monitor this.

[MATICHON] Will interest rates be increased?

[Aide] Technically, this should be the final measure, although not the measure of last resort. That is, we should look for other measures first. Raising interest rates has a psychological effect. According to theory, if interest rates rise, investment and consumption will decline. But in reality, what happens is that when interest rates begin to rise, this is an indication that the government is going to allow interest rates to rise freely. As a result, people rush to borrow money for this and that. Instead of halting borrowing, this just makes the situation worse. That is what might happen.

[MATICHON] You mean that at present, there are still other measures that can be used before raising interest rates, is that right?

[Aide] Yes. An interest rate of 15 percent is very high. Interest rates in the United States are about 11-12 percent. The rate here is 15 percent, and some want to raise it even higher. The national bank may say that the margin between the deposit rate and the loan rate is too small. The national bank must find a way to increase efficiency in order to reduce expenditures. We have to look at the situation before raising interest rates. That doesn't mean that they can't be raised at all. But we must

study the figures before deciding how much to raise the rate. It may, for example, be possible to raise the rate 1 or 1.5 percent.

The national bank is studying this in an effort to determine what effect an increase of 0.5-1.5 percent would have. It will then decide whether to raise the rate.

[MATICHON] Perhaps this should be done in a selective manner?

[Aide] That should not be done. If we did that, it would be difficult to control, because people have ways of getting around that. If, for example, we refuse to extend credit for condominiums but give credit only for houses for low-income or middle-class people, how will we measure this? In actual practice, this is very difficult. This is very easy in theory. But it becomes very difficult when you actually try to do this. Another thing they will not do is put price controls on goods. That will result in a shortage of goods on the markets. Theory says that this or that should be done. But in actual practice, you can't always use theory. You have to look at the situation and environment. You even have to note the behavior of people, which isn't included in theory.

But something that the government does have to do is give people a feeling of security about the value of the baht. There will be a great problem if the people ever lose confidence in the value of the baht.

The baht is now very stable. You can look at the exchange rate. The exchange rate has not fluctuated very much. It is now slightly more than 25 baht to the dollar. What will help prop up the value of the baht is our cash reserves. At present, our reserves are very large. We have almost \$10 billion in foreign currency. Thus, the baht is now very stable. Suppose, for example, that we have to import goods. We have the money to purchase the goods. If someone has a large foreign capital reserve, he can easily borrow money. His credit is good.

[MATICHON] How did you come to work with the minister of finance?

[Aide] During the construction of a hospital, I went to see other alumni. We met there, because he is from Ayuthaya. At that time, he was the minister of industry. He said that he would be glad to help. When I first met him, I did not know that he was the minister. He loves Thammasat and wants the university to develop. He is not a fanatic, but he has provided much help.

[MATICHON] Who are his personal advisors?

[Aide] His personal advisors include Bunchana Atthakon, Kamon Nutnathanon, and Kopsak (Saphawasu). Mr Kamon constantly monitors matters for him, because he has time. Mr Kamon has been with the minister for a long time. He once served as a government official in Bangkok Metropolitan. Mr Kamon is not an open person. He does not talk much about what he is doing. (laughs)

[MATICHON] Do the advisors meet regularly?

[Aide] They don't do things like the advisors to the prime minister. Anyone is free to make any suggestion he wants.

[MATICHON] Is the minister of finance stubborn.

[Aide] He is a very frank person. He does not become emotional.

[MATICHON] What are his weaknesses?

[Aide] He likes to talk. (laughs) He has a sharp tongue. An example is how he criticized Dr Ophan (Chaiyaprawat). Actually, there wasn't any problem. Everyone has his strengths and weaknesses. The minister of finance is honest and sincere. That is his best point.

[MATICHON] Some people say that he is stingy.

[Aide] (laughs) He says that if he were minister of industry, he would spend freely. But because he is minister of finance, he has to act like a minister of finance. Whoever serves as minister of finance has to act like this.

Sharp Drop in Rice Prices, Exports Uncertain

900G0089B Bangkok NAE0 NA in Thai
9 Nov 89 pp 7, 13

[Excerpts] [Passage omitted] A report from rice trading circles has informed NAE0 NA that the domestic price of paddy and milled rice is dropping rapidly and sharply.

At Tha Khao Kamnan Song in Phayuha Siri District, Nakhon Sawan Province, which is the largest rice market in the country, the price of the second rice crop paddy has dropped to 2,850-3,100 baht per kwian [1 kwian equals 2,000 liters), which is the lowest it has been in 2-3 years.

The situation at other rice markets is the same. For example, at Tha Khao Thawonrat in Phitsanulok Province, the price has dropped to only 2,850-2,940 baht per kwian.

What's important is that the price of rice has dropped at an alarming rate. During just the first 2 days of the week, that is, on 6 and 7 November, prices dropped 450-550 baht per kwian, which is a very rapid and sharp drop. [passage omitted]

Prices have dropped like this because those in rice trading circles feel that rice prices will encounter problems next year. This is because world rice production will increase next year as a result of the good prices of the past several years. Countries that import rice are trying to expand production capabilities, and competitors are exporting more rice.

As for major markets such as China, which imported 1.3 million tons of Thai rice last year, the U.S. Rice Milling Association has reported that China will import only

about 300,000 tons next year. Indonesia will not import rice, because it has rice stocks of 2.2 million tons, which is enough for 1 year. Vietnam will export approximately 1.25-1.5 million tons. This year it exported 1.3 million tons.

As for major markets such as India and Bangladesh that used to purchase rice from Thailand, we will have to wait until next year to learn the results, because they are just starting to harvest their rice right now. [passage omitted]

Although the government has a rice price support policy and has spent tens of billions of baht, it has not really

taken resolute action. Exporters and millers are taking a careful look at the measures. They are not yet in agreement with all the measures.

A report from the Ministry of Commerce stated that even though the Rice Policy and Measures Committee, which is headed by Phong Sarasin, the deputy prime minister, has authorized the ministry to spend up to 1 million baht to purchase 1 million tons of rice in order to prop up the price of paddy, so far the ministry hasn't received any money. It may receive 350 million baht toward the end of November and another 150 million baht in December for a total of 500 million baht. As for the remainder, that will have to wait until the cabinet makes another proposal. [passage omitted]

POLITICAL

Comments on Communist Youth Union

902E0099 Hanoi NHAN DAN in Vietnamese
8 Nov 89 p 3

[Text] The introduction of youths to revolutionary organizations and various forms of suitable social activities aimed at supporting their political mission and interests is not only an objective requirement in the party's work with the masses but also a desire of the youths. The emergence of the Ho Chi Minh Communist Youth Union was the result of a revolutionary movement of youths under the leadership of the party. The process of the country's development and organization of the union itself has affirmed the great role and position of the Ho Chi Minh Communist Youth Union in social life. The union is a political and social organization of the youth, both representing the ideology of the party in youth mobilization, and the rights and interests of the young. On the other hand, the Ho Chi Minh Communist Youth Union is a firm support of the state as a component of the proletarian dictatorship system. Resolution 26 of the Political Bureau on "strengthening party leadership in youth work" clearly states, "Build a strong Ho Chi Minh Communist Youth Union, develop the political role of the union, and expand the assembly of all youths into revolutionary organizations and forms of social activities suitable for the young." This is the basic theme, objective, and course of youth mobilization during the new period.

During the past few years, the union has made efforts in ideological, political, and organizational consolidation and construction; served as a nucleus in leading, uniting, and assembling youths in the Vietnam Youth Federation and Students' Association, organizational forms to unify and assemble youths under the group's organization and guidance; and developed its effect in educating and drawing youths into revolutionary movements to assist in achieving party and state positions and policies, and in supporting the needs of the youth. Many union headquarters echelons have organized research, investigation, examination, and extended study to understand the thoughts, aspirations, and needs of the youth to present rational solutions and proposals to the party and state on policies dealing with the young generation. Many party committee echelons give regular concern to the tasks of mobilizing the youth and building the Ho Chi Minh Communist Youth Union.

In reality however, union activities are still burdened with an administrative nature and fail to study the psychology of each youth objective or to attain firm coordination between the duties and rights of the young. Therefore, the attraction of the union for the youth has recently been limited. Occurrences of union members failing to participate in union activities, and youths not wanting to enter the union are a reality. In beginning achievement of the new mechanism and elimination of state subsidization, operating funds were reduced and

the union encountered many difficulties. Confronted with this situation, and adversely influenced by deviant viewpoints, thinking appeared among union cadres that the organization model of the Ho Chi Minh Communist Youth Union had been bankrupted and that union activities bore a "fabricated" and "dependent" nature dependent entirely upon the state and failing to answer the needs of the young. This reasoning led to the desire for establishment of a new youth organization oriented toward the preferences of each youth objective, organization of union chapters and basic level union units also following "preferences," and formation of activity centers for youths beginning method skills, resolving charitable problems, overlooking ideological education for the youth and the political role of the union in the lives of the young, etc. There were also demands that the Vietnam Youth Federation and Students' Association become organizations independent from the Ho Chi Minh Communist Youth Union and "compete" with each other, etc.

These thoughts and views are inconsistent with the viewpoint of our party on construction and organization of the revolutionary masses; and are isolated from the organizational principle and political nature of the Ho Chi Minh Communist Youth Union, Youth Federation, Students' Association and charitable association chapters, and the preferences and professions of the Youth Federation at the primary level as an organizational form assembling and unifying the youth, for the overall objective of the revolutionary mission and interests of the young. These organizational forms are organized and guided by the Ho Chi Minh Communist Youth Union: with the purpose of fulfilling the mission assigned by the party to the union, the nucleus leading, unifying, and assembling the youth. Faced with new development in the present situation and the strategic significance of youth mobilization in the revolutionary undertaking of our country during the new period, there is a need to strengthen the leadership of the party over youth work and construction of the Ho Chi Minh Communist Youth Union in a comprehensive manner, aimed at fully developing the creative capabilities, fervor and revolutionary enthusiasm of the young, and developing the dynamism and autonomy of union organization. Party leadership over the union is a requirement of a principle nature and the strength of union organization. The party is the political director for the union in every field of activity.

Renovation of union work along a course of increasing the quality of union members, strengthening and building union chapter and basic level union units; and elementary and advanced training for specialized and semispecialized cadre ranks with political, theoretical, and professional standards; and work methods consistent with the psychology of the young are issues of key significance at the present time. As a political and social organization of the youth, the union must properly resolve the organic relationship between its political and social natures. Successful resolution of the social problems of youths, elevation of the political prestige of

union organization, and strengthening the political role of the union in social life are fundamental conditions for the union in resolving the social problems of the young. These are the interests, rights, needs, and aspirations of youths acknowledged by the law and society.

MILITARY

Party, Political, Combat, Construction Activities on Spratlys

902E0106A Hanoi TAP CHI QUOC PHONG TOAN DAN in Vietnamese Oct 89 pp 51-57

[Text] We are very glad that TAP CHI QUOC PHONG TOAN DAN is printing a column entitled "Exchange of Ideas" on the results of party and political work in the army. This is a matter of great practical significance for the entire army as well as for the sailors and civilians who are defending the Spratly Islands of our beloved fatherland. We agree completely with the article written by Le Tat Thanh. In his article, he said that it is essential to summarize practices in order to strengthen the effects of party and political work. Thus, we will start from the practices of the sailors in the battle to defend the Spratly Islands and give a number of ideas in order to share our experiences.

1. It is essential that the cadres and sailors understand that defending our coastal areas and islands is an essential element of defending the fatherland, that this is being carried on by the entire country, that sailors are being used as the activists, and that this is being done based on having a thorough understanding of the all-people national defense and people's war line of the party.

Because of the geographical conditions of the open sea, the cadres and sailors, particularly those defending the Spratly Islands, do not feel that they are living and fighting among the people—unlike soldiers on the mainland. In carrying on party and political work among sailors, besides educating the sailors about the coastal and island sovereignty of the fatherland, it is also necessary to develop a correct viewpoint concerning all-people national defense and people's war on a broad scale. Looking at the whole, the combat engaged in by any force, even far out at sea, is part of the integrated strength of the entire country, all the people, and the people's armed forces. This cannot be regarded just as a naval battle or as a battle on an isolated island.

On the other hand, a reality on many islands is that our cadres and sailors do not come into contact with ordinary people. They spend day after day with other sailors, surrounded by the sky and sea. Other ships arrive on a regular basis, but most are warships. Books and newspapers arrive late and irregularly. Television doesn't reach them, or if it does, there are few sets available, quality is poor, and there is not enough electricity. Those are the material limitations that lead to a lack of information about what is happening on the mainland. There is little information available, and what little is received has

little or no relevance to the legitimate needs of the cadres and sailors who are defending the islands. This, too, has a negative effect on the spirit and thinking of the men on the islands.

In the past period, the party and state have engaged in many activities and waged an active diplomatic struggle in the international arena. We have come in contact with the military regions, other branches of service, and ministerial organizations, which have provided the navy with cadres, technical personnel, and weapons. The coastal localities have provided support, and all the people and our compatriots abroad have supported the archipelago and the movement to support the Spratly Islands. In particular, the leaders of the Ministry of Defense, the minister, chief of the General Staff, head of the Political General Department, and many other cadres have visited the islands to make inspections. They have solved many problems on the spot and issued directives and given guidance on many problems. The self-defense naval groups have coordinated production with the task of participating in controlling the sea. These and the other activities of the navy have helped provide the islands with a much greater volume of materials than in previous years. This has facilitated building and solidifying the defense works on the islands and increased the combat strength to defend the seas and islands.

Something that is even more important is that these activities and the results of these activities have gone beyond simply providing materials. They have had a positive effect on the sailors both politically and spiritually. These are living lessons that have provided eloquent proof of the fact that those fighting to defend the islands have not been forgotten. This has greatly improved the morale of the cadres and sailors. The forces that are on combat alert to defend the islands and that are building projects and transporting items have completed the tasks. The "determined to fight and determined to win" tradition of our people's army and people's navy has been maintained and manifested in many new ways. There have been many new examples.

For example, the ship HQ-505, a resolute collective, has overcome all the difficulties and met all the challenges. The men have been brave in combat and shown great solidarity. They have maintained a good attitude and preserved sovereignty on Co Lin and Len Dao islands. The ship HQ-671 has twice been commended as an Heroic Unit. It did not retreat in the face of enemy intimidation and, together with the HQ-701, resolutely defended Vietnamese sovereignty on Da Lon Island. War hero Tran Van Phuong, an outstanding member of the Communist Party, stood by the Spratly Islands as if they were his native village and manifested a spirit of "volunteering to die for the fatherland." Vu Huy Le, the commander of the HQ-505 maintained will power and resolutely commanded his men in combat in complex conditions. There are many other examples in combat, construction, and transportation.

Party and political work constantly teaches the cadres and sailors that the country's economic and social situation poses various requirements that are in accord with the real capabilities and that they must heighten their spirit of diligence in construction as well as in combat. At the same time, this has enabled the entire branch of service to see the iron resolve of the party, military, and people to hold on to the Spratly Islands. This is a manifestation of the will power to defend the independence and sovereignty, the land and territorial waters of the fatherland. We uphold the policy of maintaining peace and solving international problems through negotiations but of not allowing any force to encroach on our territory. Every action by the enemy that threatens our sovereignty must be opposed. The erroneous reasons given by the enemy, which are referred to as a "reaction," concerning our legal activities must be analyzed and clarified.

2. Party and political work must contribute to conducting studies and heightening people's awareness of the importance to our country of a comprehensive ocean strategy both in building the country and defending the fatherland.

In terms of the total area, the oceans account for most of the area. The oceans are of great importance to mankind. Every day, mankind pushes deeper into the oceans. Our country is situated on the Pacific Ocean, the largest ocean on the planet. Also, our country is located on the Indochina Peninsula. This shows that our interests are tied closely to the ocean. The coastal area of our country consists of a land corridor, islands, and the corresponding air space. This area has great potential with respect to the economy, communications, the military, and travel. That is one reason why the imperialists and reactionaries want to invade our country. Although they have suffered many defeats, they are still plotting to invade our country and seize at least the coastal area. Facing this situation, we must have our own ocean strategy. We must have not only a national defense strategy but also an economic strategy. We must examine the problems not only on land and along the coast but also far out to sea and on the great oceans. Of course, what we can do immediately depends on our capabilities, and we must proceed gradually. But it is essential that we examine the problems through the lens of a long-term strategy. Isn't this a guideline for research concerning our country's economic strategy? Through this lens, we must also examine the ocean plans of the enemy and examine the interest that other countries in this region have in the oceans.

If ocean occupations and naval activities do not expand, besides failing to exploit a very valuable potential of the fatherland, we will also lose and waste this potential. The seas contain marine products of great economic value, such as pearls, abalone, sea turtles, "yem," and many types of fish, shrimp, and crab. The ocean areas where warm and cold currents intersect are very good fishing grounds. There are many types of seaweed of nutritional value, with up to 50 percent protein (rice is

only 10 percent protein). This is in great demand by the industries that manufacture antibiotics. Many islands have various types of valuable plants and animals. There are many valuable metals such as aluminum, "cac-ti-tan," and quartz that are needed by the metallurgical and optical industries, and there is manganese and phosphate. In particular, this is a major source of oil and gas. Along our 3,000 km coastline, there are many beautiful spots and the environment is very attractive, which will enable the tourist industry to grow. Such spots include Ha Long, Son Tra, Cam Ranh, and Vung Tau. Domestic and international sea and air routes are convenient. This is without mentioning the great sources of tidal, wind, and solar power.

In one period, the praise for our beautiful country had the power to mobilize the combat spirit of the troops and people in liberating our fatherland. Today, in the face of the economic and social difficulties, there is a negative tendency. We feel that concerning the oceans, we can be proud. We certainly aren't aware of the full potential of our territorial waters. As for the navy, praise for this potential is still necessary. However, defending the seas and islands is above all a matter of sovereignty. If something belongs to us, no matter how small or devoid of resources it is, we must defend it. At the same time, if some area does not belong to us, no matter how rich in resources it is, we must not encroach on that area.

Of course, this potential has not yet been transformed into material goods. This must be done through the efforts of men. We must discover the full potential, not to praise it but to develop a strategy for exploiting and developing this potential. Based on this, plans must be made to coordinate the economy with national defense based on the most advantageous plan. The navy must recognize its great responsibility and constantly raise oceanographic standards and ocean combat standards. It must serve as the able staff of the party, state, and Ministry of Defense in this sphere.

3. In carrying on party and political work, there must be a thorough understanding of the party's all-people national defense and people's war viewpoint. This viewpoint must be applied in controlling and mastering our territorial waters and air space, in maintaining a high state of combat readiness, and in fighting victoriously to defend the territorial waters and air space of the fatherland.

Controlling our territorial waters and the corresponding air space is a very complex task that differs in many ways from controlling territory on the mainland. One of the main reasons for this is that the ocean is much bigger than the mainland. Moreover, there are no people living here as there are on the mainland. The only people here are fishermen and sailors carrying on activities in our territorial waters. It is relatively crowded near shore, but the farther out you go, the fewer people there are. Far out at sea, especially in places where there are many storms, only the navy is present. And sailors are stationed only on a number of islands. The rest are mobile forces who

come and go. Our air force, which operates in the air space corresponding to our territorial waters, is very limited. Thus, to control our territorial waters and air space, we must coordinate having troops present with using modern equipment. Controlling the seas does not refer just to controlling the surface. We must also control the area below the surface, the land corridors, and the bottom of the ocean in our territorial waters (including the special economic zones). Thus, maintaining control is a very difficult task.

The navy cannot control the ocean by itself. We must also rely on the people and have close coordination between sailors and civilians, including those who live on the islands and along the coast and who engage in fishing and transport and those on state ships. With the new policy and new mechanism for developing and managing the economy, the number of people carrying on activities on the seas is increasing, with many private, collective, and state elements. It can be said that it is not easy for the navy to increase its forces quickly. But the civilian forces working on the seas are expanding rapidly. This shows the attraction that the open sea has for our people, especially in conditions in which science and technology are developing. The party and state have correct policies. Reality has shown that the people have invested more capital in ocean activities than the state. This is a great force. It is the foundation of all-people national defense and people's war on the seas. The navy must rely on this and strengthen and exploit the potential based on a thorough understanding of the military lines, viewpoints, and ideas of the party. Only by relying on the people will we have large forces and eyes and ears everywhere to provide us with varied and accurate information about the sea. The people have worked the seas for generations. They have accumulated much knowledge and handed down this knowledge from one generation to the next. The people have much knowledge about the currents, climate, weather, and fishing grounds. Only by relying on the experience of the people in conjunction with modern scientific knowledge and its own daily practices can the navy gain a deeper understanding of the fatherland's territorial waters and create the conditions necessary for controlling our territorial waters.

To exploit the strength of the people, they must be educated and organized well. In building militia and self-defense forces to operate on the sea, special attention must be given to coordinating this with the special characteristics of ocean occupations. Depending on the organization of production, fishing, and sea or river transport, the fishing and transport boats of the state, cooperatives, and private individuals in the coastal hamlets and villages must be used to build self-defense naval groups and flotillas with a suitable scale and form of organization and with appropriate equipment, operational methods, and training programs and contents. Particular attention must be given to conducting studies, providing equipment and training, studying sea control methods, distinguishing between our boats and ships and

those of the enemy, gathering and processing information, and formulating plans to deal with unexpected situations. Training must be given on how to deal with strange ships that violate our territorial waters. There must be plans to coordinate the operations of the navy with those of the self-defense forces operating at sea and along the coast.

Because of having a thorough understanding of these guiding ideas, recently, the self-defense naval groups did a good job in coordinating production with the task of participating in controlling the seas, and they completed the military training, held seminars, and fired live ammunition. They have done a good job of observing things and reporting on the situation at sea. In the movement to support the Spratly Islands, many ships have done an excellent job. The Vam Co 24, for example, completed its task of transporting materials to the islands and saved more than 5 million dong for the men on the islands. The localities, sectors, and echelons have mobilized many boats and people to make dozens of trips. On many occasions, they have rescued naval vessels in distress. A number of provinces have built buildings on the islands. Binh Tri Thien, Quang Nam-Danang, and Nghia Binh have completed the work. That is a vivid manifestation of the party's all-people national defense and people's war viewpoint, which must continue to be manifested. That is also the effect of party and political work putting the party's viewpoints and ideas into practice.

4. Based on thoroughly understanding these basic viewpoints, the various targets must all become deeply involved in party and political work. This includes the forces stationed on the islands, the forces that patrol the seas, the mobile main-force units, the project construction forces, the sea transport forces, and the industrial production and fishing forces. An organization must be built, people must be improved, and the work contents and methods must be used as appropriate.

In addition to the common requirements, each branch, each force, and each unit has its own separate requirements. Besides having a thorough understanding of the basic viewpoints, they must also understand particular ideas and viewpoints if they are to complete the tasks assigned them.

The forces stationed on the islands must maintain a high state of combat readiness and train well in accord with the island defense plans. In particular, they must thoroughly understand the concept of joint combat as it applies to their island, groups of islands, and the entire archipelago with naval, coastal, and air forces depending on whether it is tactical, operational, or strategic coordination. Through holding combat maneuvers, we must constantly improve the island and ocean combat arts of the Vietnamese People's Navy.

The sea patrol forces must control the general area assigned, protect the borders, quickly distinguish between our people and the enemy, promptly discover

strange boats and ships that encroach on our territorial waters, use effective measures to block them and drive them out of our waters, protect the country's resources, and handle things in accord with Vietnamese and international laws of the sea. These forces must stop and inspect those boats and ships that enter our territorial waters illegally, protect our fishing fleets and ocean transport ships, and contribute to maintaining political security and social order and safety at sea.

Our mobile main-force sea forces are still small. They will gradually expand in accord with the growth of our economy and sea technology. But regardless of their size, they must maintain good quality and be worthy of being the navy's key force. The most important point concerning these forces is that they must be skilled in sea combat, in which we are still very inexperienced. The difficulty is that we lack equipment and other means. We must find a way to win even with this difficulty. We must manifest our people's tradition of defeating the enemy and make creative use of the combat arts of Vietnam people's warfare on the ocean battlefields. We must understand the practical viewpoints and start from our actual conditions, from the geography of Vietnam's ocean, and from the Vietnamese people in order to attack and win regardless of the odds.

The project construction forces on the islands must heighten their sense of responsibility and elevate the viewpoint of working for their comrades and partners and building things for their comrades just as they would for themselves. They must guard against a lack of seriousness. They must not be in such a rush to complete things that they forget about quality or about how long things will last in the harsh climatic conditions. They must thoroughly understand the concepts of neatness, beauty, durability, convenience, and the ability to withstand typhoons and heat. Their sense of responsibility must be elevated in everything from planning and selecting construction members to building and testing things. Attention must always be given to the ideas of the cadres and soldiers on the islands. Steps must be taken to oppose the theft of materials during transport on the mainland and when the materials are loaded aboard boats. Every violation must be investigated and prosecuted.

Transportation forces are very important to the navy, particularly the islands. Unlike soldiers on the mainland, almost all (if not all) of the materials for construction, combat, and daily life are transported from the mainland by the transport forces. If these forces fail to do a good job, this will have a very bad effect on the morale of the men and on the activities on the islands. Party and political work must be concerned with everything from building bases for the goods to loading the goods aboard the boats, readying means of transportation, organizing the transportation, and unloading the goods. In the past period, the transport forces have scored great achievements. The ship Bach Dang 18, Group M25, for example, set a record for tonnage. The HQ-931, Vung D, set a record for number of trips and miles sailed to

support combat. They were able to do this because of paying attention to and carrying out the above tasks well.

The industrial production units must elevate their spirit of service. They must do a good job in repairing both commercial ships and warships. Even though repairing warships may not be as profitable as repairing commercial vessels, they must give priority to this and consider repairing warships to be the leading task. Not only must they make repairs on the spot, but they must also be prepared to go make repairs wherever necessary.

Reality has shown that party and political work must penetrate each force and element and that each of these elements must be very energetic and creative. They must grasp the principles, thoroughly understand the tasks, be aware of the ideological situation, provide leadership and education, and promptly set good examples and correct the shortcomings. Whenever negative phenomena occur, they must look in the direction of leadership and education for the reasons and then use flexible measures. They should not rush or use crude measures. Combat characteristics and democratic methods are the problems that come under the principles of party and political work. It is essential to struggle against negative phenomena. This struggle must sometimes be carried on using disciplinary and legal measures. But party and political work must always use education and persuasion as the foundation. Regardless of whether educational or disciplinary measures are used, the measures must be democratic, and things must be analyzed so that everyone understands. If things are done this way, people who at first did not understand the tasks or who even refused to carry out the tasks will change and carry out the tasks well.

Defense Exercise in Nghe Tinh Raises Questions

902E0105A Hanoi TAP CHI QUOC PHONG TOAN
DAN in Vietnamese Oct 89 pp 34-38, 26

[Text] In order to develop and concretize in daily life the party's resolution on national defense tasks in the new period, the Military Region 4 General Staff has selected Nghe Tinh Province as the first province in the military region and organized zonal defense maneuvers. The maneuvers were carried on on three levels (province, district, and a number of village and subprecinct bases) in accord with the guidance of the General Staff and the special characteristics and tasks of the locality.

Carrying on the maneuvers at a time when Nghe Tinh was encountering very serious economic and social difficulties and extended drought and flooding required a great effort on the part of the party committee echelons, authorities, and people in the province. This was also a manifestation of the unity of viewpoint of the party and people of Nghe Tinh Province with respect to the party's resolution on consolidating all-people's national defense in the new revolutionary stage.

The results of these maneuvers can be evaluated by saying that the maneuvers heightened people's awareness and brought about unity among the leaders, authorities, sectors, echelons, and localities in the province with respect to consolidating national defense and turning the province and districts into strong defense zones in defending the fatherland. A number of other problems were studied and evaluated. These included implementing the party's leadership mechanism with respect to the national defense tasks, mobilizing and building reserve forces, and coordinating the economy with national defense and national defense with security. At the same time, in coordination with the maneuvers, the province carried out a number of specific tasks of the locality.

But what is even more important is that as a result of the zonal defense maneuvers held in Nghe Tinh Province, we learned a number of valuable lessons and discovered problems that need to be solved.

1. There must be a deeper and broader understanding of the party's resolutions and directives on national defense tasks among all the party organizations and among all the people, particularly among the local sectors.

The recent maneuvers showed that the echelons and sectors in the locality have changed their ideas and unified their viewpoints about the national defense tasks. But this is just the beginning. Moreover, these maneuvers were tested just at the provincial level, in a number of key sectors and districts, and at Vinh City and a number of bases. Thus, we must continue to instill deep understanding among all the party organizations and people, particularly the sectors from the provincial echelon to the bases. This is the only way to change people ideas and unify their thinking concerning the tasks.

In order to carry this out, along with carrying out the leadership and political education tasks in the local armed forces, this work must also be carried out well in the committees and sectors of the party and among the various echelon authorities and people in the locality so that they fully understand the objective nature of solidifying national defense in defending the fatherland and locality at a time when the tendency in the region and world is toward dialogue and moderation and at a time when the lives of the people are filled with difficulties and the country's socioeconomic situation is unstable. Furthermore, now that building and developing the economy is the leading task, the party organizations, people, and armed forces must be made to understand clearly the role and position of national defense and the aggressive and destructive tricks and plots of the enemy regarding our country and the locality. Everyone must struggle resolutely against a loss of vigilance and manifestation of a simple economy among the cadres and party members. The responsibilities of the party organizations, people, and local authorities must be determined, a spirit of being vigilant and defeating the enemy's multi-faceted war of destruction and of being

ready to deal with any situation should war break out must be heightened, and an effort must be made to build defense zones and build the armed forces.

The leadership and political education work must make the party committee echelons, authorities, and sectors (both civilian and military) in the locality realize their capabilities in turning the province into a strong defense zone. As a result of the recent zonal defense maneuvers, the real capabilities of the soldiers and civilians in the province were clarified, the basic defense plans and security plans of the committees and sectors continued to be perfected, and plans that coordinate the economy with national defense and national defense with the economy and plans to oppose the enemy's multi-faceted war of destruction were formulated. The important thing is that steps were taken to involve the plans in the life and specific activities of the entire province and of each district, town, and base. Men and materials will be concentrated on developing people's war deployment throughout the province and in each locality, base, and village. Guerrilla and rear area bases will be built, and local armed forces will be built.

However, the things that are decisive for carrying out the above tasks successfully must be clarified. That is, the economy must be developed and expanded, the people's lives must be stabilized, the economy must be coordinated closely with national defense, and emphasis must be given to building strong political bases. Manifestations of impatience, subjectivism, and one-sidedness in carrying out the task of turning the province into a defense zone must be opposed, and carrying out things in a formalistic manner must be opposed.

2. The party's leadership mechanism regarding national defense must be put into operation and achieve good results.

The recent maneuvers in Nghe Tinh Province affirmed that the party's leadership mechanism regarding the national defense tasks in the localities is correct. This mechanism has begun to take shape. The functions of each organization have been determined, and the relationship in which the party leads, the authorities administer, the military organizations perform staff duties, and the commanders command the local armed forces has been defined and manifested in basic ways.

However, during the recent maneuvers, this leadership mechanism was tested only in the stage of shifting the locality from peacetime to wartime and in the initial period of war. The functions and basic activities of this leadership mechanism have not been fully manifested either in peacetime or wartime. This is a problem that the party committee echelons and authorities must continue to study and solve in order to fully manifest their leadership potential, guide and control the solidification of national defense, and prepare for and wage war to defend the locality and the fatherland.

The maneuvers clearly showed that to enable the party committee echelons to have resolutions on shifting the

province from peacetime to wartime in a timely manner, although not too soon and not in such a way that we fall into the enemy's trap, we must constantly monitor the situation, implement the directives and orders of higher echelons, and organize a reconnaissance and signal network to monitor the situation. The meetings of the standing committee, provincial CPV [Communist Party of Vietnam] Committee, and military party committee must be based on specific themes and a concrete situation. The resolutions must be clear, concise, and meaningful. They must concentrate on the key problems and the problems that have just arisen and bring about a fundamental change in handling the key tasks, thereby promoting various other tasks in each stage. At the same time, tasks must be assigned to each element, and the individual responsibilities of the party committee secretaries, chairmen of the people's committees, and military commanders must be manifested in leading and commanding the troops and local people in defending the locality.

The maneuvers in Nghe Tinh also showed that the role played by the chairmen of the various echelon people's committees in the local military party committees is of decisive importance in organizing the implementation of the resolutions of the party committees. The Provincial People's Committee has prepared a number of fundamental and practical themes, and the Provincial Planning Committee has played a central role in coordinating things among the sectors in formulating the initial plans of each sector.

The basic plans of the sectors (plan B) are generally good. They satisfy the requirements of the maneuvers and of building a provincial defense zone. These plans contain the basic factors necessary to shift the locality from peacetime to wartime and achieve good results. That is an initial manifestation of a deep understanding of the viewpoint on coordinating economic and national defense matters and of unity on turning Nghe Tinh Province into a strong defense zone in accord with the plan of the military region and the General Staff. However, the joint plans between the committees and sectors must continue to be studied, particularly unified control of the activities of the committees and sectors, with the aim of carrying out the key tasks effectively.

Reality has shown that in holding people's council meetings to systematize the resolutions of the party committee echelons and turn them into policies and action measures, the contents of the activities must be appropriate and practical.

In order to ensure that the leadership mechanism functions properly, it is essential that the party cadres, authorities, and sectors be given military training and that they be knowledgeable about military matters. This is a theme in the state's program to train party cadres and cadres in other sectors to which the academies and schools must give attention.

The recent maneuvers also brought about a great change. Or to say it another way, they restored the urgent and serious leadership style, democratic discussion, a concept of discipline in implementing the directives and resolutions of higher echelons, a concept of collective cooperation, and a spirit of individual responsibility in the above leadership, control, and command mechanism. If this work style is maintained in the daily activities of the sectors and echelons in every sphere, this will contribute to solidifying party discipline and the laws of the state and society and to increasing productivity and improving quality in building the economy, consolidating national defense, and carrying out the other tasks of the province.

The recent maneuvers confirmed that progress has been made in carrying out the staff functions and tasks of the military organizations and that the commanders have led the armed forces in the province in a unified manner. This was particularly true in preparing plans for the party committee echelons and the activities of the military party committees and in organizing joint operations, leading combat in each situation, and handling specific situations.

However, the military staff and command activities also exposed many shortcomings that must be overcome. In order to carry out their tasks well, the military organizations and commanders must strive to study and raise their standards concerning military, political, economic, and social matters so that they can complete the tasks based on the requirements of the new mechanism.

3. The quality of organizing and mobilizing reserve troops must be improved.

This is a task that has been developed for many years. Plans have been formulated, and much effort has been expended. But based on the maneuvers, the plans for the reserve forces have been fulfilled only quantitatively. The quality of the leadership and military skills is still very low. The units mobilized cannot be used to carry out combat tasks directly but can only be used to carry out combat support tasks. This is because few of the reserve troops have the proper military skills. This is a problem that requires the attention of the various echelons, particularly the provincial and district military and mobilization organizations and the regimental and battalion level reserves mobilization units. In order to overcome this shortcoming, these organizations and units must become deeply involved in the activities of the bases in order to investigate matters, register military specialties, and urgently overcome the weaknesses in controlling and training the reserve forces. Only by renovating control and training and the methods used to build the reserve forces will it be possible to satisfy the combat requirements when war breaks out.

As for mobilizing technical means, although the requirements concerning quantity and quality have been satisfied, one shortcoming is apparent. The various types of equipment have not been managed tightly, and regular

inspections have not been made. In maintaining the equipment, some units are too concerned, and this has led to formalistic mobilization. Vehicles are "safeguarded" while awaiting orders and kept in a "state of readiness." This has affected daily activities and caused waste.

4. Economic matters must be closely coordinated with national defense, and national defense must be closely coordinated with security activities in the localities.

During these maneuvers, the only requirement in coordinating economic matters with national defense and national defense with security was to experiment with a number of themes concerning economic, security, and social tasks in the localities. The initial tests achieved good results. The communications and transportation sector, for example, experimented with the Thuy ferry—an heroic unit of the armed forces. It affirmed its ability to maintain communications for the workers and to maintain command organization standards and use the means available to cross the river. It was thought that each trip would take 40 minutes. But during the maneuvers, each trip took only 11 minutes. When the Duoc bridge was destroyed, the cadres and workers handled things properly and made careful preparations to provide good support during both peacetime and wartime. Another example is that when the dikes broke, the province mobilized more than 60 locomotives to transport 500 tons of food. It also mobilized 350 reservists to repair the dikes and prevent flooding.

The postal sector has formulated plans to maintain signal and liaison for the defense zone in accord with the combat plans and continued to provide support to enable the two military exercises to achieve good results and coordinate economic matters with national defense in a practical and effective way. However, facing the new requirements of the defense zone, the Postal Service must carefully study the plan for shifting the postal center from peacetime to wartime and providing good support for leadership, control, and command.

The public security service has tried to coordinate security with national defense. Public security and military forces have conducted joint operations aimed at eliminating criminals. They have arrested tens of gang members and hooligans and confiscated dozens of guns of various types. Dealing with these two situations has posed specific problems concerning organization, command, and the use of the forces and means.

A number of other sectors such as the grain, commerce, and public health sectors did not carry on specific exercises at the bases but made careful preparations. A number of committees and sectors concerned posed practical and specific problems for themselves in coordinating the economy with national defense, problems that had not been mentioned before or which people were aware of but were afraid to tackle.

The above results show the great and realistic capabilities of the locality in coordinating the economy with

national defense and national defense with security. However, the task of building a strong defense zone requires that in coordinating the economy with national defense, national defense with the economy, and national defense with security, an integrated plan must be formulated on the provincial level, with this manifested in the budget, targets, and speed. The plans formulated during the maneuvers must be supplemented and perfected so that they can be used in the daily activities of the local party organizations, authorities, and people.

To ensure that these plans are implemented effectively, there must be a rational economic mechanism and policy. There must be a clear determination between economic accounting and providing people and equipment to satisfy the requirements of the national defense tasks and of building the strong defense zones of the locality.

Officer Training at Tank Technical Commander School

902E0107A Hanoi TAP CHI QUOC PHONG TOAN
DAN in Vietnamese Oct 89 pp 58-62

[Text] Resolution 115 NQ/DU of the Standing Committee of the Central Military Party Committee stated that the tasks of the schools in the coming period are "to continue to carry on educational reform and renovate cadre training. The work of the schools must be carried on in accord with the spirit of renovating cadre organization as put forth at the Sixth Party Congress." The basic spirit of this resolution is that efforts must be concentrated on improving quality in all respects and increasing the effects of cadre training in order to satisfy the requirements of "building a rank of party cadres in the army who have good quality and morals, who are strong politically, who have leadership, command, and managerial capabilities, whose leadership style is in line with the requirements and tasks, who are of the right age and in good health, and who are strong enough to complete the tasks in any situation."

In order to carry out the above guidelines and tasks well, the Tank Technical Commander School must define the targets and determine which steps to take and which measures to use in order to satisfy the requirement of training cadres based on their duties (particularly their initial duties and key duties). The following are some of the main problems in this process:

1. Examining and evaluating the essence of officer training in recent years and setting targets and requirements as appropriate for the coming years:

Before setting the targets and determining the requirements and tasks of training officers by function, our school held a symposium on the school's work in the coming years based on the spirit of Resolution 115 of the Standing Committee of the Central Military Party Committee. Through discussions, everyone recognizes that

even though the school has encountered many difficulties in recent years, particularly since 1981, we have still managed to train a large number of tank technical cadres and officers for the army. These officers have satisfied an important part of the need for cadres in the combat and construction units. Most of the graduates have carried out their role at the assigned posts.

However, in reality, the cadres trained by the school have not satisfied things as the units had hoped. After they leave the school and go to the unit assigned them, many of the officers become confused by the practices and life at the unit. They can't apply the knowledge that they gained at school in carrying out their command, control, and training tasks. Their knowledge of essential things such as command and leadership, capabilities, and behavior is weak. The battalion commander holds the key position in training cadres, but not enough attention has been given to this and so the knowledge of this class of cadres contains many holes. One reason is that they become battalion commanders 8-10 years after graduating from this school. What they learned is out of date and not in accord with the army's real situation and it is not practical for the position that they now hold. Because of this, many battalion cadres do not have sufficient knowledge and capabilities to command a tank battalion.

In order to overcome these limitations, the school has decided that "fundamentals, effectiveness, and results" is the proper guideline for training tank technical commanders. According to this guideline, along with raising educational standards, the school must increase the cadres' ability to carry out their command functions. That is, an ability to carry out the tasks that will be assigned them after they leave school will be the target. This will be the criterion for evaluating the quality and effectiveness of the instruction at the school. In increasing their ability to implement things, basic training based on functions must be provided as stipulated by the regulations. The fact that we are stressing increasing the ability to implement things does not mean that we will slight raising the cadres' level of knowledge or that we will slight basic and all-round theory. If a person is to carry out the tasks well, regardless of the position, the instructional standards must correspond to that position. However, we must concentrate on providing basic knowledge that is related to the ability to perform the initial tasks. Only if they have adequate knowledge will they be able to grow and hold other positions. The need to increase people's ability to organize and implement things and raise the instructional standards for the cadres in accord with their command positions requires that we have a unified dialectical training process between theory and practice and between the basic standards of each modern technology branch officer and the command capabilities of tank battalion commanders.

2. Renovating the contents, curriculum, and training methods:

Switching from training based on instructional level to training based on position requires that the schools change

the contents, curriculum, and training methods. Realizing this, we have held debates on the new contents, curriculum, and training methods. Prior to that, the various faculties looked at the contents and curriculum in each faculty in order to obtain the ideas of the instructors and the control cadres who have gained much experience through many years of leading, guiding, and training tank technical commanders. Through the debates, everyone agreed that since 1981, the contents and curriculum had become out of date as compared with the new requirements of development. In general, things were not in harmony with the construction and combat realities at the units. Little time was reserved for practical training at the units. On the other hand, too much time was allotted for teaching theory and general knowledge as compared with the time available. Because the school was training lower-ranking officers, it should have spent more time on practical subjects, but instead it focused on general knowledge and theory. Clearly, the curriculum must be renovated for the 1989-1990 school year and following years. We have now studied things and prepared a curriculum for providing training based on position. At the same time, we have studied and renovated the teaching and training methods, particularly practical training. The school has decided to increase the time allotted for realistic training from 2 months to 6 months. Of course, this is an on-going process of studying things, making adjustments, and perfecting things.

The training target of the school is to train tank platoon leaders. The contents, curriculum, and instructional methods must provide practical and effective support for building model tank platoon leaders for the army. Model tank platoon leaders of other countries cannot serve as the standard for examining and evaluating the standards of our tank platoon leaders. This does not mean that the school has lowered the standards for our tank platoon leaders. The main thing is to train tank platoon leaders who can function well in actual battlefield conditions in our country. Besides having a general knowledge about politics, tactics, and theory, tank platoon leaders must obtain a Level 1 score in three specialized tank subjects: rifle and tank gun firing, tank driving, and radio communications aboard a tank. To do this, instead of teaching things separately, the contents and training methods must be integrated and synchronized. For example, in the past, when teaching tank driving, we provided only those systems that supported driving. We did not give any attention to other systems, such as signal and liaison or guns, because we had aides sit next to the students to provide guidance. Now, with the new training contents, the training methods are no longer like that. During training, the aides sit in the tank commander's position and use the radio system to guide the students in driving the tanks and firing the guns. In studying the tactical lessons, the students must sit in the tank commander's position in order to command the driving and firing of the guns. Naturally, this integrated method will encounter certain difficulties in making available enough tanks for training and in providing enough classrooms and practice grounds. But this will help the students improve their ability to control their

tanks and command the tanks in their platoon. At the same time, the school must gradually take steps to overcome the new difficulties.

3. Building ranks of instructors in accord with the new training targets and requirements:

Changing the training targets and requirements and renovating the contents, curriculum, and training methods means that the school must rearrange and strengthen the ranks of instructors. The instructors at this school play a decisive role with respect to the quality and effectiveness of the training. We feel that the leading task is to constantly build and train our ranks of instructors in order to hit the target of training officers according to position.

Today, we are actively concentrating on strengthening our faculty by providing courses on educational psychology and teaching methodology. We are also trying to improve the technical knowledge of our instructors. The methods used by the various faculties have been changed by regularly exchanging ideas about contents and teaching methods. The faculties are now in the process of building methodology rooms.

In recent years, the ranks of instructors at the school have changed greatly. Many young instructors have replaced the older instructors, who have retired because of their age or health or who have switched fields. Most of these young instructors have high cultural standards, and they are enthusiastic about their work. But they do not have much teaching or practical experience. In recent years, the school has sent 20 instructors (including faculty heads and deputy heads, department heads, and instructors) to hold actual positions in various battlefield units. The key was to have them engage in actual command activities, administer units, and gain a deeper understanding of the functions, tasks, and capabilities of each position for which the school is training people. The faculty members spent one year at the bases and then returned to their teaching duties. Sending instructors to engage in actual operations allows them to study and discover things and adapt and supplement the contents, curriculum, and instruction at the school to make them more attractive and practical and ensure that they are in accord with the actual needs of the battlefield units.

The school has proposed that the branch increase the size of the signal faculty, because communications is one of the three main subjects of tank techniques. In past years, not enough attention was given to this subject.

We are also building and creating sources for the school's ranks of instructors. Each year, together with the branch, the school selects people who have teaching abilities and technical standards and who have much experience in practical operations and brings them to the school. This is a process of coordinating classroom training and sending instructors for further training at various academies such as the Military Technology Academy and tank and armor schools abroad. As a result, the instructors who are old, who are in poor health, or who do not

have sufficient standards are gradually being replaced, and conditions are being created to teach and train in accord with today's renovation requirements.

4. Providing a material and technical base to support training based on the new requirements:

Once the training contents and methods have been changed, those elements that maintain the material and technical base will have to be changed accordingly. Given the renovation requirements, a large quantity of the materials, weapons, equipment, models, and teaching materials that we used to use in providing instruction and training are no longer appropriate. Realizing this, the school has repaired many training vehicles and ensured that the various elements on the tanks, such as the driving, firing and signal, and liaison elements, function in a synchronized manner. At the same time, we have also repaired and restored the tactical fields and perfected the command posts, driving ranges, firing ranges, and so on in accord with the requirements, contents, and methods of training officers based on position. The present conditions for providing materials, weapons, and equipment are very difficult. Thus, the school has decided to maintain a spirit of self-reliance and renovate the means and teaching materials based on the motto: use everything available, don't expect perfection, and don't make demands that exceed the capabilities of the branch and army. We must make full use of the materials, weapons, and equipment given us, repair them, and modify them in accord with the present requirements. We cannot, in the name of modernizing the army, run after weapons and equipment that the army doesn't have or slight or ignore the weapons and equipment that, while old, can still manifest an effect on the battlefield. Naturally, if we rely only on the efforts of the school to overcome the difficulties (although that is a very important factor), we will not be able to satisfy the new training requirements. We also need the help of the branch and the entire army. The important thing is that the school must gradually build the material and technical base to ensure that the training becomes more and more effective, synchronized, and modern. This is decisive for improving the quality and effectiveness of training cadres based on command position.

Radar Units Assess Training Results

902E0098C Hanoi QUAN DOI NHAN DAN in
Vietnamese 15 Nov 89 p 2

[Text] The air-defense radar troops recently organized seminars to discuss the radar station combat sections of the units in the branch. The results showed that each unit has scored outstanding achievements. But the results have not been even, and there is still a gap between the results discussed at the seminar and the actual combat readiness and air-space control capabilities of the units.

Unlike previous years, when only the radar sections [kip ban], mainly the spotters, met to discuss things, this year the branch organized seminars for the station command cadres, radar platform cadres, joint combat cadres, and cadres at the command sections of the units.

The strong point of the station and radar platform command cadres at the seminars was: The station commanders carried out the control and supervisory tasks in the command sections. They guided the radar sections in discovering things and promptly notifying the regimental command section. They handled a number of complex situations in combat (some acted very firmly), and they knew how to make effective use of the equipment to support combat command in accord with their duties. Almost all of the command cadres and platform leaders guided the radar sections skillfully in raising and lowering the platforms, and they handled the complex situations that arose during combat according to the regulations. A number of men showed themselves to be very adept in carrying out the technical work, controlling functions, setting control parameters, and adjusting the receivers, transmitters, and "hien song." The weakest elements in the ranks of command cadres were the signal platoon leaders at the radar units. They were weak in using the signal equipment and in manifesting their role and capabilities in combat control at the radar station command sections. As for receiving and sending reports, more than half of the signal platoon leaders participating in the seminars scored below average. Some individuals knew virtually nothing, forcing the examiners to give them a zero.

The radar platform sections did well during the seminars. Only two scored less than 7 points, with their scores being 6.994 and 6.914. The striking thing was that almost all of the sections scored good or excellent in raising and lowering radar platforms. This is an important, difficult, and very tiring job, and it is of decisive importance during combat. The units struggled on all fronts, and so they achieved good results and maintained absolute safety for the men and equipment. This strong point was due above all to having spotters who carried on joint combat activities skillfully according to the regulations. They worked quickly and accurately when raising and lowering the platforms and working on the equipment. Among the section elements participating in the seminars this time, there were some technicians who were participating for the first time. Because they were not well prepared and had not trained carefully, the results scored by the radar platform technicians were not good. Only one man was rated good. The rest were rated average or below average. Along with the cadres and signal platoon leaders, this is an "alarming" element to which the radar units must give attention. They must invest a suitable amount in these elements and strengthen training. They must carry on training regularly, particularly with respect to the special characteristics. Most of the radar stations are dispersed. They are independent and far from higher echelons.

A very important requirement with respect to the combat alert and air-space control tasks of the radar units is to have close coordination among the elements in the command section in order to receive and send intelligence reports by air. This was one thing that was done well during the seminars. Many units were rated good and excellent with respect to the accuracy of the intelligence groups. The amount of intelligence was sufficient, and intelligence communications capabilities were good.

For the first time, during this year's radar training seminars, seminars were organized for the visual observation stations. Realizing the practical significance and strengths of these stations in discovering low-flying targets, the units have all built observation stations. Because of this, during the seminars, almost all of the stations scored high and were rated good or excellent. The lowest score was 6.81.

Based on the results mentioned above, the radar guidance organizations and the training organizations of the branch learned a number of valuable lessons that can be used to guide the training in the coming period.

First of all, the seminars showed that with respect to many of the training norms put forth for the radar stations, platforms, and combat sections, particularly the norms concerning technical and tactical time periods, the units have the ability to fulfill or exceed the norms.

The problem that arises here is that these norms are not high. Whether the units fulfill them or not depends on whether the commanders and various echelon cadres are really interested in guiding, controlling, and organizing the training.

These seminars also showed that there is still a gap between the daily combat readiness quality of the radar units and the results of the seminars. Naturally, the results of the seminars were higher. Here, you can't eliminate the psychological factor of competition during the seminars. But besides that factor, there are also several other factors about which the command cadres at the radar units must think carefully. Among these is the fact that the sense of responsibility of the cadres and soldiers is usually higher during the seminars. Enough materials and equipment are provided for carrying out the combat alert tasks. The work and command regulations pertaining to each person and element are carried out fully and more carefully. The material and spiritual lives of the cadres and soldiers are much better during the seminar than they normally are at the units. And there are many other factors. But the point is that none of these factors are "outside the reach" of the command cadres. Only by heightening the sense of responsibility of the command cadres and developing the capabilities of each element during times of combat so that they perform their regular tasks "to the limits of their ability" just as they do during seminars will it be possible to narrow that gap.

Artillery Branch Assesses Training Goals

902E0098B Hanoi *QUAN DOI NHAN DAN* in
Vietnamese 8 Nov 89 p 2

[Text] Based on the training and combat practices, the artillery branch summarized things and prepared a book entitled "Standards for Building Excellently Trained Artillery Companies." This has been used as the basis for building companies and choosing the "excellently trained artillery company" of the year.

The past years have shown that the artillery troops have regularly engaged in various movements such as the "all-powerful gunners movement," the "excellent soldiers movement," and now the "excellently trained artillery company" movement. Each year, after the training has concluded, meetings are held to discuss and evaluate the results.

In the movement to build excellently trained artillery companies, the branch has always focused on cadre training. Artillery officers must be excellent in commanding the firing. They must know how to use algorithms and modern equipment to support combat command. The branch has frequently organized "excellent artillery officer" tests. The contents of the tests include technical subjects such as artillery, mathematics, reconnaissance, measurement, vehicles, communications, artillery tactics, and fire command. Fire command is always foremost in importance. On the 43d anniversary of the founding of the branch on 20 June 1989, the branch organized an "excellent artillery officers" contest throughout the military. The military regions, corps [quan doan], naval branches, reserve artillery units, and artillery commanders schools organized training sessions and contests to select people to participate in the all-military contest.

In recent years, attention has been given not only to training military cadres in the art of fire control but also to training and inspecting political, rear services, and technical cadres. Lessons 3A, 3B, 4A, and 4B are regarded as the main contents in carrying on training and making year-end evaluations.

Attention has also been given to training the command detachments. In recent years, as the number of troops and units has declined, more attention has been given to training command detachments, and men have been assigned to these units. Because besides excellent officers, there must be excellent command detachments. Reality has shown that it costs 3-4 times as much to train an excellent clerk or reconnaissance man as it does to train an excellent gunner. In combat, we carry on joint operations with the local militia and self-defense forces. To train them as gunners takes only 1-2 days. But it takes weeks or even months to train command detachments. Our people have a saying: "The mistake of a millimeter causes an error of a thousand kilometers." This is also true for the relationship between the command detachments and the gunner detachments of the artillery units.

The "all-powerful gunners" movement had the effect of stimulating a study movement throughout the units. Today, the men are being familiarized with the various types of artillery used in the units. Every member of the gun crew, and not just the No 1 gunner, can do an excellent job.

In order to evaluate the quality of the political education and training, at the end of the year, the artillery regiments and brigades evaluate the results and fire live ammunition.

In general, the artillerymen have carried out the yearly training movements well. The "excellently training artillery companies" movement is understood thoroughly, and it has been applied for several years now. Because of this, one-third of the reserve artillery and mortar companies have been issued certificates. But among the staff artillery units, not one company has received a certificate. Evaluating the training based on the norms of the branch has shown that there is still a gap between the movements and the actual results and that the quality of the reserve forces and the staff is different. At the Anh Dung Artillery Regiment, we had a chance to talk with Lt Col Dinh Van Uo, the regimental commander, and Cpt Nhu Duc Yen, the former commander of Company 2, which trained excellently in 1988 and which is expected to do so again in 1989 after the firing of the live ammunition. Cpt Yen won the top award in reconnaissance during the 1989 all-military "excellent artillery officer" contest and was recently appointed to the position of deputy commander of the 1st Battalion. During the conversation, we learned that the "excellently trained artillery company" movement has set an example for movements in general. Among the ranks of officers, there is an "underground" emulation movement.

The standards of the excellently trained artillery companies are very comprehensive. Besides scoring achievements in training, the companies have had to meet other norms. They have, for example, met the combat readiness standards and fulfilled the requirements whenever the conditions have changed. Political training is good to excellent. The artillery vehicles and equipment have been maintained. Fewer than 2 percent of the men have committed disciplinary infractions, and none of the cases have been serious. In the Anh Dung Artillery Group, in 1988, Company 2 of the 1st Battalion met the standards and was publicly recognized by the Artillery Command as an "excellently trained artillery company." It is also developing well this year.

At the Ben Hai Artillery Regiment, Lt Col Nguyen Thanh, the regimental commander, and Senior Cpt Nguyen Quang Dai, the deputy chief of staff, said that during the past 3 years, the men have struggled to be recognized as an "excellently trained artillery company." But they have not achieved their goal even though the conditions have been quite favorable. There has been time, some of the men have been with the unit 2-3 years, and the officers at the various levels have been to school.

At the beginning of 1989, many older soldiers left the military, leaving the unit filled with young troops. The commanders were resolved, but they still failed to produce an "excellently trained artillery company."

After returning to the branch organization, we were told that the "excellently trained artillery company" movement had been in existence for several years. But this award usually goes to reserve forces because they have the conditions and time needed to train, unlike the staff forces. The recent all-military "excellent artillery officers" contest showed this quite clearly. The branch is changing the direction of guidance and investing in the staff artillery forces in order to ensure that these units have "excellently trained artillery companies." This is because at a time when we are reducing the size of our forces, the quality of the combat readiness of our artillery forces must be even higher.

Unit Strives To Overcome 'Formalism' in Training

902E0098A Hanoi QUAN DOI NHAN DAN in
Vietnamese 7 Nov 89 p 2

[Text] With a thorough understanding of the renovation requirements in training, Group S11 in Corps Q held maneuvers for mechanized combat troops in the coastal lowlands. The exercise, called TP88, achieved many good results, including renovating the training methods. Even though more remains to be done, as compared with previous years, much progress was made in overcoming formalism. Less emphasis was placed on parades, and the situation in which much money was spent but little was achieved was overcome.

I would like to give a few examples. In 1983, during maneuvers, Infantry Unit P used 20 tons of gasoline and 27 tons of diesel oil (with that amount of gasoline, seven infantry units could have held maneuvers). In 1982 in Corps [binh doan] H, during maneuvers, Infantry Unit Z was issued 42 tons of gasoline and 25 tons of diesel oil. These maneuvers were usually "open." But before the maneuvers, everything was prepared in great detail in order to please higher echelons and the guests. The above organizations lost much time making sure that everything was just right. Gasoline, oil, materials, money, and food of the people was wasted on these maneuvers. And that is without mentioning the fact that the units used these maneuvers to increase the amount of money, materials, and gasoline available for other activities outside the training plans.

As a result of this, the target of many cadres was to win praise from higher echelons. Thus, the training did not raise the combat standards of the troops. In reality, after years of maneuvers (including experimental maneuvers), nothing new was learned.

To study renovation in training, the General Staff guided Binh Doan Q in organizing experimental maneuvers for the S11 Group with the aim of gaining new knowledge about training and the combat arts of mechanized infantry detachments fighting in coastal lowland areas.

With a thorough understanding of the General Staff's spirit of renovation, before the maneuvers began, the deputy chief of staff and the head of the guidance committee of the corps said: "These maneuvers represent real renovation. They are new in terms of training methods, terrain, and training guidance methods. Thus, we must maintain a sense of reality and manifest the significance of that. This means that there must be renovation in organizing and carrying on combat and in summarizing the lessons."

Remembering his ideas, I was very enthusiastic about this renovation. In the past, the organizations of the General Staff and corps changed the documents or guided everything. The lower echelons were passive, and they were confused by the situation. They did not have to prepare the exercises or think at all. But things were completely different this time. From the commanders to the S11 Group organizations, everyone helped plan the exercise and handle the problems posed by higher echelons. That was true from elements to integrated units, from low to high, and from small detachments to large integrated detachments. If a mistake was made, it was corrected. Higher echelons had a chance to see when the requirements were met and when they weren't met. If lower echelons felt that something was wrong or that something needed to be discussed, they were free to express their ideas. Unlike in the past, they didn't have to agree with higher echelons on everything.

The thing that worried me the most during this exercise and that is a new problem about which we must think is: The infantrymen moved together with the combat vehicles through fields and swamps. In order to keep up with the mechanized vehicles under the covering fire of joint combat formations, the infantrymen, who were barefooted or who wore sandals, had to struggle hard. This disrupted the formations and had a great effect on how the combat problems were handled and solved. As a result, the training requirements were not fulfilled. In the past, during maneuvers if there was a shortage of boots, the soldiers had to "use" next year's boots. If there was a shortage of clothing, hats, grease, or military insignia, they "borrowed" from next year in order to impress the guests and higher echelons. Even though the quality of the uniforms was poor, they had to support these "open" exercises. Where did the soldiers obtain their boots and clothing to do this?

The real situation of the cadres and soldiers of the S11 Group made us see that the echelons and sectors had to take steps to look after the soldiers and provide them with food, clothing, equipment, and physical training and instill in them a concept of discipline. At the same time, steps had to be taken to help the commanders think about how to win if a war should break out given today's material base and men.

These training methods revealed both the strengths and weaknesses of the unit and of each cadre and soldier in the S11 Group. This provided us with valuable lessons.

The General Staff is studying these in order to supplement the data and other aspects. This also affirmed the combat capabilities of our mechanized infantry detachments in coastal lowland areas.

The experiments of the S11 Group have made us think about renovating thinking and actions in training in general and in exercises and drills in particular. This is a practical way to satisfy the renovation requirements of the party and of the military. This is the only way to cure the disease of formalism, which was present during a number of exercises in past years.

Unit Strives To Overcome Shortcomings in Training

902E0097B Hanoi QUAN DOI NHAN DAN in Vietnamese 16 Nov 89 p 2

[Text] Like a number of other units in Group S10 and throughout the army, the C5 Unit has begun training and building the unit based on the five requirements mentioned in Directive 116CT-TM and has encountered many difficulties. The unit recently returned home after carrying out its combat tasks. The reorganization of the staff has not yet been completed. Even though the ranks of cadres were recently reinforced and the staff is sufficient, almost all of the cadres are new to their positions, and 40 percent more cadres are needed. Although all of the officers have been to school, only 48 percent have received basic training. Technical, tactical, and physical training has been provided, but it has not been in accord with the new requirements. The lives of the troops are filled with difficulties. They usually receive their wages and allowances late. They are rarely paid in cash, and only 35 percent live in Grade 4 housing. The rest live in thatched huts. Thus, a number of cadres and soldiers are upset. They have doubts and are hesitant about training and building the unit in the regular way. Some do not see what is important. They do not realize that in order to forge an excellent unit, it is necessary to build a unit that is strong in all respects and that to build a unit that is strong in all respects, it is necessary to mobilize each individual. Thus, they tend to rely on others or wait for instructions from higher echelons.

As for the standards of the cadres, many cadres have not taken the specified training. Sixty percent of the platoon cadres are not skilled in providing instruction. Cadres from the company level on up have ignored the new training measures. Because of this, committee echelons and commanders have organized [classes] to enable people to thoroughly understand Directive 116-CT-TM and the training orders of higher echelons. They have used basic, practical, and resolute measures to determine the direction of struggle. Thus, from the unit party committee to the party chapters, youth unions, and military associations and from unit cadres to the primary echelons, everyone now has an adequate understanding and is engaging in open democratic discussions in order

to put forth correct norms, bring about unity from top to bottom, and build confidence when carrying out the tasks.

As for measures, the unit has decided that the only way to achieve good quality in training is to build a unit that is strong in all respects. This will remain a distant dream unless the unit establishes regular order, stabilizes people's thinking and their material and spiritual lives, and instills a sense of discipline in the troops. The C5 Unit can do this. Looking back at the past 10 months, it can be seen that much progress has been made in instilling a sense of discipline in the troops and in carrying out the orders of the army. The unit has raised the slogan: "Discipline is the strength of the army." In order to implement this action slogan, the unit has provided regular instruction concerning the orders of the military and the laws of the state, concentrating on the contents of Chapter 11 of the Criminal Code. Of the four orders of the army, attention has been focused primarily on the responsibilities of soldiers and cadres, the regulations on clothing, travel, and forms of address, and the actions of each person and detachment. Advanced training has been organized for cadres who manage troops and material bases so that they can maintain order in all cases and in daily activities based on the 10 measures during the day and week.

Attention has been focused on maintaining the spiritual lives of the troops. Every month, there is a political day at the companies so that the cadres and soldiers can contribute ideas to the party committee and command echelons. As a result, the cadres have avoided making mistakes, and this has generated trust among the masses. Organizing cultural and arts and letters activities and providing physical training has helped those with problems and encouraged those with negative feelings to relax and develop a happy and wholesome attitude in the unit.

Besides the problems mentioned above, which have a direct effect on the quality of the training and the troops, the most decisive factor is still the cadres. At the beginning, few cadres were skilled in training. Now, the majority are skilled in this. With these results, the unit has had to come to grips with many difficulties. After 1 month of training, higher echelons conducted an inspection and found that little had been achieved. The unit had to retrain the cadres, revamp the training and training materials, retrain the troops, and implement military democracy in organizing training and in dealing with various situations. The concept of "using loudspeakers to complete the program" was done away with. Thus, according to the evaluations of higher echelons and technical organizations, the troops now know how to apply technology in operations and can handle a number of basic offensive and defensive situations flexibly in mountainous terrain. In general, the joint combat standards of the detachments are much higher than those of other units in Group S10 and in previous years. In particular, during the recent maneuvers, the organizational and combat command standards and training capabilities of the cadres were quite good and the combat

movements of the soldiers were relatively flexible. The joint combat operations of the detachments improved.

However, as compared with the requirements put forth for each unit, there are still many problems that must be solved. In particular, training capabilities are still weak. Many cadres still place too much emphasis on theory and ignore practice. Soldiers are not flexible enough when they encounter a new or complex situation. The work of building up the strength of the cadres is still limited. Usually, the men exercise only in the mornings. There is little physical training in the afternoons. The men are not required to go on long marches on a regular basis. There are still many limitations in maintaining the material and spiritual lives of the troops.

From the realities mentioned above, the quality of troop training must be improved as follows:

First, staffing and training must be perfected, and ranks of skilled cadres must be built. They must regularly be trained in actual situations so that they have the standards necessary to carry out the tasks assigned them and so that they can train the troops.

Second, order and discipline must be maintained among the troops. The cadres must set an example in action and be clear in their thinking. The unit must implement measures to provide help, correct the mistakes and shortcomings, and bring about unity and democracy in the unit.

Third, the material and spiritual lives of the troops must be maintained.

Guidelines on Caring for Wounded, Employing Demobilized Soldiers

902E0097A Hanoi QUAN DOI NHAN DAN in Vietnamese 8 Nov 89 pp 1, 4

[Text] The Ministry of Defense and the Ministry of Labor, War Invalids, and Social Welfare recently issued an inter-ministry circular directing the local military, labor, war invalid, and social welfare organizations to cooperate with the local agencies and sectors in implementing Directive No 105/CT of the president of the Council of Ministers on implementing a number of policies dealing with the military and the military rear (issued on 29 April 1989). This circular mentioned the tasks that must be carried out immediately and diligently in order to contribute to solving the urgent problems with respect to implementing the military rear policies, particularly those that have arisen since the Vietnam volunteer forces fulfilled their international obligation to help the Cambodian revolution and returned home. These tasks are related to four major problems: looking after the war invalids and soldiers who are seriously ill; finding and burying all the war dead; resolving the cases of those who are listed as missing in action; and providing jobs to and stabilizing the lives of the demobilized soldiers.

As for looking after the war invalids and soldiers who are seriously ill, there are a number of points that need to be given attention:

The war invalid treatment centers subordinate to the labor, war invalids, and social welfare sector must accept the wounded soldiers and seriously ill soldiers sent by the military in accord with the standards stipulated and with the cooperation of the Ministry of Labor, War Invalids, and Social Welfare. The military units must provide them with their material and spiritual rights in accord with the responsibilities of the military (including preparing files, issuing equipment and special-use items such as wheel chairs and mattresses) before transferring them to the labor, war invalids, and social welfare sector.

War invalids and ill soldiers who have families living somewhere must be placed under the control and care of that province or city.

As for class 1 war invalids and ill soldiers who are in stable condition and who can be cared for by their families, conditions must be created so that they can return home and stabilize their lives at home. The military units, together with the labor, war invalids, and social welfare services are responsible for providing these people with their rights just as they have for war invalids and ill soldiers who have returned home from treatment centers (such as issuing essential items one time).

In the case of war invalids and seriously ill soldiers who cannot return home because of the lack of treatment facilities in the area where their family resides, the labor, war invalids, and social welfare services must, together with the units, report this to the Ministry of Labor, War Invalids, and Social Welfare, which will look into having them accepted by a treatment center in another locality.

Those war invalids and seriously ill soldiers whose homes are in the north but who volunteer to remain in treatment centers in the south will be admitted by treatment centers of the labor, war invalids, and social welfare sector in the south, and they will be registered in that locality.

The transfer of the war invalids and ill soldiers from the military to the labor, war invalids, and social welfare sector must be accomplished quickly in order to ensure that they are looked after well at all times and not disturbed.

In the case of war invalids and ill soldiers who do not have homes, contributions must be solicited from each sector and echelon in the locality and the people at the primary level, and families of war invalids and ill soldiers must contribute labor to solve this problem. In cases in which they have homes but the houses are too small or they have been damaged, aid must be given to repair them. If they need land, the locality must provide them with land in accord with the local land regulations and the Land Law.

War invalids and ill soldiers must be cared for continually. They must periodically be given examinations and treatment at their homes and at the bases. Whenever their old wounds or illnesses flare up, they must be treated at the nearest hospital, either military or civilian.

The various measures regarding war invalids and ill soldiers must be carried out fully and promptly. This includes the measures on providing aid to these people and those who serve them, the measures on issuing equipment based on life expectancy and the requirements of the wounds and illnesses, the measures on annual treatment and rehabilitation, and the priority measures, that is, giving priority to providing jobs to and selecting the wives and children of war invalids and seriously ill soldiers to engage in labor cooperation abroad.

Each war invalid and ill soldier must be well cared for in all respects (health, wounds, illnesses, family circumstances, living conditions, wishes, aspirations, jobs, special-use equipment, and so on) in order to discover things promptly. The local authorities should have measures to handle things promptly. As for those war invalids with special wounds (not in Class 1/4), the localities and sectors must provide vocational training, arrange jobs, and organize life in a suitable manner.

As for soldiers who have fulfilled their military obligation and been discharged, particularly those who have fulfilled their international duty by helping Laos or Cambodia or who have served along the border or on an island, and young officers who have been trained in the military, the Ministry of Defense and the Ministry of Labor, War Invalids, and Social Welfare have proposed that the localities include them in the cadre plans of the localities. Based on the conditions and the capabilities of these men, a number of them should be trained and turned into activist laborers or technical cadres in the economic and social spheres of the locality.

To enable these people to find jobs and quickly stabilize their lives, the inter-ministry circular has directed:

With respect to those soldiers who worked at agencies and enterprises before they were inducted into the military, those agencies and enterprises are responsible for taking them back and providing them with jobs. Even in cases in which the agencies or enterprises are having difficulties, they must still take them back and then handle the difficulties based on the policies applicable to the other workers and civil servants in the agencies and enterprises. If their former agency or enterprise has been disbanded, the higher-echelon agency is responsible for handling matters.

Soldiers who have returned to agricultural zones must be provided with at least as much land as other laborers, and attention must be given to providing help regarding

capital, seed, draft power, technology, and so on so that they can produce effectively on the land given them.

In places with the capabilities and where the soldiers have aspirations and sufficient standards, priority must be given to providing them with jobs and sending them to vocational centers for training and to engage in labor cooperation.

The material and spiritual lives of the military cadres who have returned must be cared for well. They must be mobilized and allowed to manifest their capabilities in carrying out suitable work in the localities.

The Ministry of Defense and the Ministry of Labor, War Invalids, and Social Welfare also provided specific guidelines on locating and burying the war heroes who sacrificed their lives in various periods. One section states: "The labor, war invalids, and social welfare services adjacent Cambodia have been assigned tasks. They are responsible for accepting the remains of war heroes turned over by the military in accord with the plans (no distinction is to be made between the remains of war dead who have been identified and those who have not been identified or between the native villages of war heroes who died a long time ago and those killed recently). The remains and bodies of war heroes that have been returned home must be turned over and buried promptly."

As for handling the cases of those missing in action, the Ministry of Defense will guide the subprecincts and villages in conducting investigations, making determinations, and preparing lists of those from each locality and base who are missing. It will guide the units in coordinating things with the organizations concerned in making determinations and concluding each case. When they receive the files of the cadres and soldiers listed as missing in action, the labor, war invalids, and social welfare agencies must quickly provide policies based on the regulations currently in effect.

Finally, the Ministry of Defense and the Ministry of Labor, War Invalids, and Social Welfare has proposed that the localities and bases launch a widespread movement nationwide to implement the military rear policies using a variety of measures and forms in accord with the special capabilities and customs of the localities and that practical work be provided with the aim of doing an even better job of looking after the war invalids, ill soldiers, retired military cadres, soldiers who have fulfilled their military obligation, and families of war invalids and war heroes, families who scored achievements during the revolution, and families of soldiers still on active duty.

This movement is a positive response to All-People's National Defense Day and the 45th anniversary of the founding of Vietnam People's Army.

Australia-Invested Telecom Station Commissioned
BK2112134589 Hanoi Domestic Service in Vietnamese
1430 GMT 18 Dec 89

[Text] Gia Rai District of Minh Hai Province recently commissioned a microwave telecommunications station designed by engineers of the Post and Telegraph General Department and built by the province with a total cost of almost 160 million dong. The complete set of microwave equipment installed at this station was produced and invested by Australia.

Column Requests Severe Punishment of Corrupt Bank Cadres

902E0094B Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 7 Nov 89 pp 1, 3

[Text] I listened to the news in a broadcast at 1800 hours on 31 October 1989 to the effect that in Thuan Hai Province many bank cadres took money from the bank to take part in private savings groups, with the money involved ranging from 1 to 41 million dong, and averaging 4 million.

In a broadcast at 1800 hours on 5 November 1989, the station's reporter interviewed Le Trong Khanh, deputy director general of the State Central Bank, on the bank's responsibility in this matter, and received this answer: "...This is a social ill and the first responsibility is that of party committee echelons, the administration, mass organizations, and law enforcement organs...."

Since the end of October and the beginning of November 1989, many newspapers like NHAN DAN, SAIGON GIAI PHONG, and TUOI TRE have been revealing that State Bank cadres used the bank's money to lend to other people and to join private savings groups and earned interest ranging from 25 to 30 percent per month. Thus there were people who earned more than 1 million dong of interest while cadres, workers, and civil servants, in production and administrative and professional sectors, including journalists and writers, earned just a few tens of thousands of dong (exclusive of the ones who earned special bonuses as mentioned in SAIGON GIAI PHONG in an article by Hoang Anh, "Who Are the 10 Percent of Workers and Civil Servants Living A Better Life?," written for the Speaking Frankly and Truthfully Forum column).

I appreciate the radio station and newspapers which have mentioned the above-mentioned matter but I am not satisfied with the answer given by the bank's deputy director general.

Let me add a few words to clarify: In our State Bank a lot of neglect and failure exists to allow many bad cadres to take advantage of the situation and to indulge in luxurious living while our soldiers shed blood and our compatriots sweat and shed tears (in this article I stress only some aspects of corruption involving money, without mentioning foreign currencies and dealings in

gold, silver, and precious stones). They steal and wrest money through many tricks:

- People must bribe if they want to get cash from the bank.

- In addition to taking the bank's money to join private savings groups as the newspapers and radio station have mentioned, a very common phenomenon among bank cadres is their taking the bank's money to make production loans (the bank's own cadres, not any enterprises, cooperatives, or private individuals, are getting production loans from the bank) at low interest and making savings deposits in the bank at high interest in order to pocket the difference, which may amount to millions of dong.

I would like to propose some measures to resolve the problem:

- The fact that people have taken advantage of the situation and become corrupt and have been wresting money through the bank has existed for so long and now, with the cases of corruption in Thuan Hai, this is a good time for the newspapers and radio station to persistently work closely with the party, people's councils, Council of Ministers, and National Assembly to force the State Bank to act, not to blame it on the social ill so as to keep a "dreadful silence"!

- Punishment should be very severe and appropriate: to confiscate entire family assets, to send culprits to reeducation and labor camps (to work to earn one's own living), and even to give death penalties. (In my opinion, every province and every municipality should execute a few bank cadres in order to set examples.) The customs, tax, forest management, public security, and control sectors must gradually consider the need to create confidence so as to be able to step up the national construction movement.

Capital: Shortage or Surplus?

902E0108A Hanoi NHAN DAN in Vietnamese
10 Nov 89 p 1

[Text] Centered on the present difficulties in production and business in Ho Chi Minh City (including the units directly subordinate to the ministries) is the question of whether there is a shortage or surplus of capital.

Except for the first months of the year, in general, everyone agrees that sluggishness and stagnation are very worrisome problems and that the final 2 months of the year are a time of great challenge with respect to the guidance of the party and the talents of the managers if the planned norms are to be fulfilled. It's often said that the reason for the above situation is that many enterprises and corporations lack capital, and this is sometimes regarded as the greatest difficulty.

Is this really the case?

The sources of capital of a work installation (including both production and circulation installations) include liquid assets in inventory, liquid asset norms, actual liquid assets, bank loans, receivables and payables, and so on. When these items are balanced, a brief look shows that the local (Ho Chi Minh City) state-operated economic bases lack capital. This lack of capital has three conditions. First, the efficient installations (those that are able to sell their products because the quality of the products is good, the products match people's taste, and prices are reasonable) need money in order to expand production. Unfortunately, there are only a few of these installations. Second, the installations that have been unable to sell their goods and that have large inventories are also complaining that they lack capital for production. Third (please don't exclude this), there are installations that do not need capital but that ask for capital at a fixed rate of interest, which they loan out to others (of course, at a higher rate of interest) in order to earn a profit.

It should be remembered that there is a real shortage of capital. According to the data available, approximately 50 billion dong is needed for industrial and commercial production. Besides that, the outlying districts, too, are complaining about a shortage of capital (another 10 billion).

But something quite unusual has happened also. That is, the industrial and commercial banks in the city can now extend credit at fixed rates of interest (3.75-3.93 percent a month). That is enough to satisfy the city's need for capital—approximately 50 billion dong. But the units have proposed borrowing only about 50 percent of the amount needed. Clearly, there is a real shortage of capital. But there is also a surplus of capital (because of not daring to borrow money, and there is a large amount of stagnant capital).

In general, the central state-operated economic units located in the city do not lack capital. They have a large quantity of liquid assets and liquid asset norms (the existing liquid assets account for just under 80 percent of the liquid asset norms). Bank loans exceed 50 percent of the liquid asset norms.

Based on this, it is possible to sketch the following situation: The shortage of capital is not so severe that the problem can't be solved. Thus, what are the difficulties and challenges of the economy of Ho Chi Minh City?

We feel that the key to developing the city's economy is to determine an "economic strategy," determine which key sectors have the power to burst out, and determine the direction of these sectors given the organic relationship between the city, with its credentials as a center, and all of Nam Bo and the entire country. The next step is to point out a rational investment policy aimed at hitting the long-term targets. There is the feeling that so far, steps have not been taken to set these strategic guidelines. As a result, the investment capital has not been concentrated, and the capital collected has had little

effect (including both production and circulation). In order to ensure that this year's plan is fulfilled and create favorable conditions for 1990, there is only one thing to do and that is to investigate things and determine which sectors are the economic "throat" of the city that need to be given priority in investing capital at a low fixed rate of interest in order to accelerate development. No capital should be invested in (loaned to) units that have been operating "in the red" for a long time. Those places that operate illegally and that have appropriated state capital for local or private interests must be punished severely.

It is essential that the managerial cadres be renovated. Unless positive and urgent steps are taken to train excellent managerial cadres to replace those who are sluggish, it will be difficult to develop the city's economy either now or in the future. If those with capital do not manage it properly, the surplus will become a shortage and everything may be lost.

Replying to Charges of Misconduct in Banking Sector

902E0094A Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 7 Nov 89 pp 1, 3

[Text] In a reply dated 4 November and sent to NHAN DAN to deal with the failures, shortcomings, and negative aspects of the banking sector, which NHAN DAN had recently pointed out, Vietnam State Bank Director General Cao Si Kiem stressed the three following weak aspects of the banking sector:

- The rules and regulations of the bank are far from uniform, nor appropriate in terms of what the reality requires.
- Its machinery remains cumbersome and overlapped, and efficiency is poor. Although cadres are numerous, their quality and level of knowledge have not been improved, with even poor quality among some of them. They remain indulgent and lack determination in fighting against the tendency to neglect monetary and credit management.
- The renovation of the material and technical base has been slow as the sector has not yet responded to the bank's switch to business.

In addition, the director general also pointed out that the banking sector has set up control groups to look into the practice of credit, payment, and financial procedures in the sector, first of all in a number of key banks. Initial self-imposed control in 26 provinces and reexamination of control results in four provinces indicated that spending and purchases which had not complied with procedures, including those in housing and headquarters construction, purchases of automobiles and motorcycles, and so on, amounted to billions of dong. In a province, the bank cadres borrowed billions of dong from the bank to join private savings groups or to lend money to those who contributed money to such groups. Although the state bank coordinated the control work for the first

time, it was able to handle a number of cases that had become obvious by taking many forms of action: firing, forcing people to resign, and prosecuting. Another province had to fire 2 cadres who headed district banks, to force 6 provincial and district bank cadres to resign, and to prosecute 4 district bank cadres. Along with other sectors and localities, the banking sector is continuing to review and handle recent negative phenomena, including the efforts to retrieve lost capital and properties. As an immediate action to take within the sector, it has adopted such measures as forbidding bank cadres to borrow money from the bank to join private savings

groups or to use it for wrong purposes; forbidding bankcadres, mostly the leading bank cadres, to guarantee loans; launching a control campaign to look into the use of borrowed money, first of all money borrowed by private businesses and individuals. Those bank cadres who have misused the money they borrowed from the bank must return it, even with their properties used as collateral. The credit organizations which have not been operated in compliance with the regulations must submit themselves to control, reorganization, and rearrangement in accordance with directives from the Council of Ministers and guidelines from the State Bank (which will be issued in this month of November).

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